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 SIXTEEN)	Cause No.
HORIZONTAL WELLS IN AN ESTABLISHED)	
640-ACRE DRILLING AND SPACING UNIT)	Docket No.
LOCATED IN SECTION 35, TOWNSHIP 8		
NORTH, RANGE 60 WEST, 6 TH P.M., 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 up to sixteen horizontal wells in the following-described lands:

Township 8 North, Range 60 West, 6th P.M. Section 35: 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 October 31, 2011, the Commission entered Order No. 535-91 which, among other things, established three approximate 640-acre drilling and spacing units for certain lands, including the Application Lands, and authorized up to two horizontal wells within each unit, with the second well in each unit optional, for development and production of oil, gas and related hydrocarbons from the Niobrara Formation.
- 4. On July 9, 2012, the Commission entered Order No. 535-187 which, among other things, pooled all interests in the Application Lands for the development and operation of the Niobrara Formation.
- 5. On November 15, 2012, the Commission entered Order No. 535-219 which, among other things, approved up to four horizontal wells within each of three approximate 640-acre drilling and spacing units consisting of certain lands, including the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

- 6. On March 25, 2013, the Commission entered Order No. 535-294 which, among other things, approved up to a total of six horizontal wells within certain lands, including the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- 7. Applicant requests approval to drill, at its option, an additional ten horizontal wells, for a total of up to sixteen horizontal wells in the Application Lands, with internal wellbores offset by 300 feet and unit boundary setbacks of 300 feet.
- 8. 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.
- 9. 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 allow the drilling of an additional ten, for a total of up to sixteen 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).
- 10. According to Rule 507.b.(1), the names and addresses of the interested parties to this Application 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.
 - 11. 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. Providing that Applicant may drill, at its option, an additional ten for a total of up to sixteen horizontal wells in the unit, with internal wellbores offset by 300 feet and unit boundary setbacks of 300 feet.
- B. For such other findings and orders as the Commission may deem proper or advisable in the matter.

Dated: August 2013.

By

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

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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 27th day of August, 2013.

Witness my hand and official seal.

My commission expires:____

MARCH 5, 2016



Notary Public

Weld County, Colorado T8N-R60W Sec 35

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Exhibit B Interested Parties

Foundation Energy Fund IV-B Holding, LLC 16000 North Dallas Parkway Dallas, TX 75248

IOCL (USA) Inc. c/o Thompson Knight, LLP 333 Clay Street, Suite 3300 Houston, TX 77002

Mile High Oil & Gas, Inc. P.O. Box 27296 Denver, CO 80202

Carver E&P, LLC P.O. Box 46063 Denver, CO 80201

NipNTuck, LLC 1346 Candleridge Dr. Boise, ID 80201

TAK Mountain, LLC 1600 Broadway, Suite 1525 Denver, CO 80202

LHB Ventures, LLC P.O. Box 46063 Denver, CO 80201-6063

Tom Schreiner, Energy Liaison Colorado Parks and Wildlife Northeast Region Office 6060 Broadway Denver, CO 80216 OIL India (USA) Inc. c/o Thompson Knight, LLP 333 Clay Street, Suite 3300 Houston, TX 77002

Haimo Oil & Gas LLC 593, Zhangsutan Lanzhou Gansu Province, 730010, PRC

LHB Niobrara, LLC P.O. Box 46063 Denver, CO 80201

Verity Land Company #3, LLC P.O. Box 82219 Oklahoma City, OK 73148

Pidgeon Clay 4, LLC 460 S. Marion Pkwy. #1856B Denver, CO 80209

Rincones Two, LLC 2000 Yaupon Valley Rd Austin, TX 78746

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

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 SIXTEEN HORIZONTAL WELLS IN AN ESTABLISHED 640-ACRE DRILLING AND SPACING UNIT LOCATED IN SECTION 35, TOWNSHIP 8 NORTH, RANGE 60 WEST IN WELD COUNTY, COLORADO)) Cause No.) Docket No.)					
AFFIDAVIT OF MAILING						
STATE OF COLORADO)						
)ss. CITY AND COUNTY OF DENVER)						
Elizabeth Y. Gallaway, of lawful age, and states and declares:	being first duly sworn upon her oath,					
That she is an attorney for Carrizo Oil and Gas, Inc., that on or before 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.						
	Élizabeth Y. Gallaway					
Subscribed and sworn to before me August <u>27</u> , 2013.						
Witness my hand and official seal.						
My commission expires 10-04-1	S. Versa Hotavo Notary Public					