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 20, TOWNSHIP 9)	
NORTH, RANGE 58 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 9 North, Range 58 West, 6th 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. On February 2, 2011, the Commission entered Order No. 535-3 which, among other things, established 160 approximate 640-acre drilling and spacing units for certain lands, including the Application Lands, and allowed one horizontal well in each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- 4. On July 9, 2012, the Commission entered Order No. 535-164 which, among other things, pooled all interests in the 640-acre drilling and spacing unit comprising the Application Lands for the development and operation of the Niobrara Formation.
- 5. On November 15, 2012, the Commission entered Order No. 535-218 which, among other things, approved up to three horizontal wells within an approximate 640-acre drilling and spacing unit comprising 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. 535-290 which, among other things approved up to a total of six horizontal wells within an approximate 640-acre drilling and

spacing unit comprising 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 and spacing 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.

Bv:

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 27th day of August, 2013.

Witness my hand and official seal.

My commission expires: Mrc 5, 1016

ROSS DANIEL WARDLAW Notary Public, State of Texas My Commission Expires March 05, 2016

Notary Public

EXHIBIT A

Weld County, Colorado T9N-R58W Sec 20

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Exhibit B Interested Parties

Noble Energy WYCO, LLC 1625 Broadway Ste. 2200 Denver, Colorado 80202-4720

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

IOCL (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

The Estate of Alfred C. Ackman, deceased Address Unknown

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 Kent Kuster
Oil & Gas Consultant Coordinator
Colorado Department of
Public Health & Environment
4300 Cherry Creek Drive South

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) LOCATED IN SECTION 20, TOWNSHIP 9) NORTH, RANGE 58 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 \$\frac{\subset 5}{5}\$, 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 \$\frac{\text{Exhibit B}}{2}\$ to the Application.
Elizabeth Y Gallaway
Subscribed and sworn to before me August 29, 2013. Witness my hand and official seal. My comprission expires: 10-04-13.
Notary Public