## 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 UNIT LOCATED IN   | ) | Docket No. |
| SECTION 33, TOWNSHIP 9 NORTH, RANGE | ) |            |
| 58 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 authorizing up to sixteen horizontal wells in the following-described lands:

Township 9 North, Range 58 West, 6<sup>th</sup> P.M. Section 33: 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 Exhibit A.
- 3. On February 22, 2011, the Commission issued No. 535-3 which, among other things, established one hundred and sixty-three (163) approximate 640-acre drilling and spacing units for certain lands, including 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 January 23, 2012, the Commission issued No. 535-128 which, among other things, approved an order to pool all interests in the established approximate 640-acre horizontal drilling and spacing unit consisting of certain lands, including Application Lands, for the development and operation of the Niobrara Formation.
- 5. On November 15, 2012, the Commission issued Order No. 535-220 which, among other things, approved up to four horizontal wells within each of two approximate 640-acre drilling and spacing units consisting for certain lands, including Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

- 6. On March 25, 2013, the Commission issued Order No. 535-293 which, among other things, approved up to a total of six horizontal wells within each of two approximate 640-acre drilling and spacing units consisting of certain lands, including 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 unit, with internal wellbores offset by 300 feet and unit boundary setbacks of 300 feet.
- 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 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).
- 9. The undersigned certifies that copies of this Application shall be served on each interested party, according to Rule 507.b.(1) and (4), and 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. 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: October 17, 2013

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**

| COUNTY OF HARRIS           | ) ss.<br>)  |   |
|----------------------------|---|---|
|                            |   |   |
| Senior Landman for Carrizo | ge, being first duly sworn upon oath, deposes and says that he is<br>Oil & Gas, Inc. and that he has read the foregoing Application and<br>ined are true to the best of his knowledge, information and belief | b |
|                            | Ross D. Wardlaw   |   |

Subscribed and sworn to before me this 17<sup>th</sup> day of October, 2013.

.Witness my hand and official seal.

STATE OF TEXAS

My commission expires: 6/14/2014

Notary Public Patricial Lichmond

PATRICIA A. RICHMOND Notary Public, State of Texas My Commission Expires June 14, 2014

**EXHIBIT** A

Weld County, Colorado T9N-R58W Sec 33

