

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400335528

Date Received:

10/11/2012

PluggingBond SuretyID

20100108

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☒ GAS ☐ COALBED ☐ OTHER ☐ Pilot ☐
SINGLE ZONE ☒ MULTIPLE ☐ COMMINGLE ☐

Refiling ☐

Sidetrack ☐

3. Name of Operator: CARRIZO OIL & GAS INC

4. COGCC Operator Number: 10338

5. Address: 500 DALLAS STREET #2300

City: HOUSTON State: TX Zip: 77002

6. Contact Name: Tina Taylor Phone: (713)328-1000 Fax: (713)328-1060

Email: tina.taylor@crzo.net

7. Well Name: WEP Well Number: 2-27-31-3-64

8. Unit Name (if appl): Unit Number:

9. Proposed Total Measured Depth: 8086

WELL LOCATION INFORMATION

10. QtrQtr: NWNE Sec: 27 Twp: 3S Rng: 64W Meridian: 6

Latitude: 39.766820 Longitude: -104.531810

Footage at Surface: 307 feet FNL/FSL 1342 feet FEL/FWL
FNL FEL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 5509 13. County: ADAMS

14. GPS Data:

Date of Measurement: 05/11/2012 PDOP Reading: 2.7 Instrument Operator's Name: Marc Woodard

15. If well is ☐ Directional ☐ Horizontal (highly deviated) submit deviated drilling plan.

Footage at Top of Prod Zone: FNL/FSL FEL/FWL Bottom Hole: FNL/FSL FEL/FWL

Sec: Twp: Rng: Sec: Twp: Rng:

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No

17. Distance to the nearest building, public road, above ground utility or railroad: 1256 ft

18. Distance to nearest property line: 307 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1340 ft

20. LEASE, SPACING AND POOLING INFORMATION

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
Niobrara	NBRR	535-169	640	All

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #:

22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

23. Is the Surface Owner also the Mineral Owner? ☒ Yes ☐ No Surface Surety ID#:

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? ☒ Yes ☐ No

23b. If 23 is No: ☐ Surface Owners Agreement Attached or ☐ \$25,000 Blanket Surface Bond ☐ \$2,000 Surface Bond ☐ \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):

Township 3 South, Range 64 West: Section 27: All that portion of section Twenty Seven (27) in township 3 South of Range 64 West,

25. Distance to Nearest Mineral Lease Line: 307 ft

26. Total Acres in Lease: 535

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? ☐ Yes ☒ No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? ☐ Yes ☒ No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? ☐ Yes ☒ No

30. If questions 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? ☐ Yes ☒ No

31. Mud disposal: ☒ Offsite ☐ Onsite

If 28, 29, or 30 are "Yes" a pit permit may be required.

Method: ☐ Land Farming ☐ Land Spreading ☒ Disposal Facility Other: _____

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	12+1/4	9+5/8	36	0	1,820	534	1,820	0
OPEN HOLE	8+3/4	7	23	1820	8,086	903	6,500	0

32. BOP Equipment Type: ☒ Annular Preventer ☒ Double Ram ☒ Rotating Head ☐ None

33. Comments No conductor casing will be set. Swell Packer will be set across 600' from section line to keep wellbore from 7" casing shoe to Swell Packer unproduced. This is a pilot well to be plugbacked at 8086'. Lateral/sidetrack document no. 400333621.

34. Location ID: _____

35. Is this application in a Comprehensive Drilling Plan ? ☐ Yes ☐ No

36. Is this application part of submitted Oil and Gas Location Assessment ? ☒ Yes ☐ No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____

Print Name: Tina Taylor

Title: Regulatory Compliance

Date: 10/11/2012

Email: tina.taylor@crzo.net

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: Matthew Lee Director of COGCC Date: 11/10/2012

API NUMBER

05 001 09761 00

Permit Number: _____ Expiration Date: 11/9/2014

CONDITIONS OF APPROVAL, IF ANY:

All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.

- 1) Note surface casing setting depth change from 1400' to 1820'. Increase cement coverage accordingly. FOR PILOT HOLE 2) Submit Form 42 electronically to COGCC 48 hours prior to MIRU. FOR HORIZONTAL LATERAL 3) Comply with Rule 317.i and provide cement coverage from TVD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 4) Run and submit Directional Survey from TD to base of surface casing. The operator shall comply with Rule 321, and it shall be the operator's responsibility to ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.
- 5) As part of the Form 5 Drilling Completion Report, include the produceable interval as defined by swell packer configuration. (supply the swell packer placement as part of a wellbore diagram)

Attachment Check List

Att Doc Num	Name
1792526	WELL LOCATION PLAT
40033528	FORM 2 SUBMITTED

Total Attach: 2 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed.	11/9/2012 6:44:34 AM
LGD	<p>The applicant has agreed to the following best management practices:</p> <ol style="list-style-type: none"> 1. Use closed loop systems; and 2. Undertake a water quality sampling program within a 1/2 mile radius of these wells. <p>Since the applicant has agreed to these best management practices, can you please attach them as condtions.</p>	11/1/2012 10:19:06 AM
Permit	Operator authorized change of Lat/Long. Operator comment that this wellbore will be plugged back at 8086' and therefore not produced from this pilot wellbore.	10/18/2012 6:07:31 AM
Permit	Requested review of the Lat/Long as the submitted values do not match the values on the Well Location Plat.	10/15/2012 4:50:35 AM
Permit	Operator corrected open hole casing information and added comments regarding pilot hole/lateral drilling intent.	10/12/2012 1:34:14 PM
Permit	<p>Return to draft:</p> <ol style="list-style-type: none"> 1. The form submitted provides the same well name/information as document no. 400333621, which passed completeness, however, niether forms submitted indicate pilot hole or lateral sidetrack. 2. Open hole size of casing is incomplete. 	10/11/2012 8:16:12 PM

Total: 6 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Material Handling and Spill Prevention	Operator will ensure 110 percent secondary containment for any volume of fluids contained at the well site during drilling and completion. Operator will implement best management practices to contain any unintentional release of fluids.
Storm Water/Erosion Control	Operator has designed the well pad with insloping and a storm water control ditch to prevent storm water run-on/runoff and the release of fluids from the location. See attached Construction Layout Drawing.
Construction	The location will be fenced.

Total: 3 comment(s)