

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

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Date Received:

01/11/2012

PluggingBond SuretyID

20100108

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL ☒ GAS ☐ COALBED ☐ OTHER Horizontal
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)358-6440

Email: tina.taylor@crzo.net

7. Well Name: Nelson Ranches Well Number: 27-11-10-59

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

9. Proposed Total Measured Depth: 10497

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 27 Twp: 10N Rng: 59W Meridian: 6

Latitude: 40.816160 Longitude: -103.970240

Footage at Surface: 3 feet FNL 1317 feet FWL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 5104 13. County: WELD

14. GPS Data:

Date of Measurement: 09/08/2011 PDOP Reading: 1.9 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
650 FNL 650 FWL 650 FSL 650 FWL
Sec: 27 Twp: 10N Rng: 59W Sec: 27 Twp: 10N Rng: 59W

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: 5280 ft

18. Distance to nearest property line: 3 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 5280 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	535-99	640	SEC 27

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):

Section 27:N/2,SW/4

25. Distance to Nearest Mineral Lease Line: 3 ft

26. Total Acres in Lease: 80

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: Landfarm Burial/Evaporation

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	1,400	534	1,400	0
1ST	8+3/4	7	23	1400	6,641	632	6,641	1,400
1ST LINER	6+1/4	4+1/2	11.6	5813	10,497	330	10,497	5,813

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

33. Comments No conductor casing will be set. Carrizo requests approval of a Rule 603.a.(2) exception location: Wellhead is to be located less than 150' from a property line. Exception request and SUA covering both sides of the property line is attached. THIS IS THE LATERAL OF A PILOT/LATERAL DRILLING PROGRAM.

34. Location ID: 428203

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: 1/11/2012 Email: tina.taylor@crzo.net

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:  Director of COGCC Date: 3/18/2012

API NUMBER

05 123 35279 01

Permit Number: _____ Expiration Date: 3/17/2014

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) Provide 48 hour notice of MIRU to Jim Precup by e-mail at james.precup@state.co.us. Indicate Spud Notice in the subject line and provide the following information: Operator Name, Well Name and Number, API #, Spud Date, Contact Name, Contact Phone #, Email Address.
- 2) Provide cement coverage from base of intermediate casing to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 3) Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Attachment Check List

Att Doc Num	Name
2331444	SURFACE CASING CHECK
2532041	SURFACE AGRMT/SURETY
2532058	EXCEPTION LOC REQUEST
400239395	FORM 2 SUBMITTED
400239402	DEVIATED DRILLING PLAN
400239404	MULTI-WELL PLAN
400239410	DIRECTIONAL DATA
400239518	WELL LOCATION PLAT

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Updated permit with exception loc request letter.	3/16/2012 8:57:02 AM
Permit	Requested exception location request letter.	3/16/2012 5:41:14 AM
Permit	Updated permit with Surface Agreement.	3/13/2012 10:27:22 AM
Permit	Asked for property line waiver 2/13/2012	2/13/2012 7:53:29 AM
Permit	This is the lateral for a pilot/lateral drilling plan	1/12/2012 6:15:49 AM
Permit	On hold- Well location requires an SUA for property line or waiver from the surface owner.	1/12/2012 6:13:46 AM
Permit	Operator corrected lat long and attached a revised well location plat. This form has passed completeness.	1/11/2012 10:22:50 AM
Permit	Returned to draft. Incorrect lat longs on well location plat.	1/11/2012 8:45:33 AM

Total: 8 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.
Site Specific	Fresh water for the Fresh Water Storage Pit comes from water provider; water sources permitted for consumable industrial use.
Material Handling and Spill Prevention	Operator shall not allow any fluids to flow back to the Fresh Water Storage Pit/Pond.
Site Specific	Fresh Water Storage Pit shall contain fresh water only and signage prohibiting the use of the pit for any fluid that does not come from municipal, irrigation or surface water source.
Construction	The location will be fenced and the fenced area will include the Fresh Water Storage Pit.
Pre-Construction	The COGCC to be notified 48 hours prior to construction of the Fresh Water Storage Pit.
Planning	A Form 15 Pit Report will be submitted within 30 days of construction of the fresh water storage pit.

Total: 8 comment(s)