

FORM

2

Rev
12/05

State of Colorado

Oil and Gas Conservation Commission

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01/05/2012

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 INC4. COGCC Operator Number: 103385. Address: 500 DALLAS STREET #2300City: HOUSTON State: TX Zip: 770026. Contact Name: Tina Taylor Phone: (713)328-1000 Fax: (713)358-6440Email: tina.taylor@crzo.net7. Well Name: Jones Well Number: 18-24-10-59

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

9. Proposed Total Measured Depth: 10776

WELL LOCATION INFORMATION

10. QtrQtr: Lot 14 Sec: 18 Twp: 10N Rng: 59W Meridian: 6Latitude: 40.829510 Longitude: -104.025590

Footage at Surface: 5 feet FNL/FSL 1292 feet FEL/FWL FWL

11. Field Name: Wildcat Field Number: 9999912. Ground Elevation: 5388 13. County: WELD

14. GPS Data:

Date of Measurement: 10/14/2011 PDOP Reading: 2.3 Instrument Operator's Name: Marc Woodard15. If well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 650 FSL 1789 FEL/FWL FWL Bottom Hole: FNL/FSL 650 FNL 1958 FEL/FWL FWL
 Sec: 18 Twp: 10N Rng: 59W Sec: 18 Twp: 10N Rng: 59W

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 5280 ft18. Distance to nearest property line: 5 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	535-90	640	Sec 27

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian23. Is the Surface Owner also the Mineral Owner? ☐ Yes ☒ No Surface Surety ID#: 2010017023a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? ☐ Yes ☒ No23b. 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 19: Lot 3 (44.43), Lot 4 (44.41), Lot 8 (38.15), Lot 9 (38.24), E1/2SW1/4, SE1/4
SW1/4NE1/4, SE1/4NW1/4, NE1/4SW1/4, Lots 9 (39.29), 11 (33.73), 12 (38.78), 13 (38.26), 14 (34.65), 15 (34.17), 16 (34.42)

25. Distance to Nearest Mineral Lease Line: 650 ft

26. Total Acres in Lease: 300

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	6,989	674	6,989	1,400
1ST LINER	6+1/4	4+1/2	11.6	6174	10,776	324	10,776	6,174

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

33. Comments No conductor casing will be set. This is the lateral permit of pilot/ lateral drilling plan. 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 attached.

34. Location ID: 428312

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: 1/5/2012 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: 3/25/2012

API NUMBER

05 123 35313 01

Permit Number: _____ Expiration Date: 3/24/2014

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
2532068	SURFACE AGRMT/SURETY
2532072	EXCEPTION LOC REQUEST
400237780	FORM 2 SUBMITTED
400237833	MULTI-WELL PLAN
400237835	DEVIATED DRILLING PLAN
400237837	WELL LOCATION PLAT
400237839	OIL & GAS LEASE
400237922	DIRECTIONAL DATA

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Operator changed distance to lease line and spacing order.	3/21/2012 9:32:00 AM
Permit	This is the (01) sidetrack. No LGD or public comment received; final review completed.	3/21/2012 7:22:53 AM
Permit	Updated permit with exception location request.	3/21/2012 7:12:10 AM
Permit	No LGD or public comment received; final review completed.	3/21/2012 7:11:27 AM
Permit	Updated permit with SUA. Waiting on exception location request letter.	3/20/2012 2:35:32 PM
Permit	Asked for property line waiver or SUA 2/13/2012	2/13/2012 7:53:51 AM
Permit	Section is spaced under 535-90	2/13/2012 7:35:04 AM
Permit	On hold lease does not cover the well bore. Is Carrizo applying for a spacing order? Well is 5 feet from property line.	1/6/2012 8:10:14 AM
Permit	Verify that surface and mineral owner are different.	1/5/2012 3:11:17 PM

Total: 9 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)