

API No. <u>42-283-36429</u> Drilling Permit # <u>843422</u> SWR Exception Case/Docket No. <u>0314301 (R37)</u>	RAILROAD COMMISSION OF TEXAS OIL & GAS DIVISION APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER <i>This facsimile W-1 was generated electronically from data submitted to the RRC.</i> <i>A certification of the automated data is available in the RRC's Austin office.</i>	FORM W-1 07/2004 Permit Status: Approved
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1. RRC Operator No. 135316	2. Operator's Name (as shown on form P-5, Organization Report) CARRIZO (EAGLE FORD) LLC	3. Operator Address (include street, city, state, zip): ATTN MADELON RANEY 500 DALLAS ST SUITE 2300 HOUSTON, TX 77002-0000
4. Lease Name GARZA B-JLH LIC C-E ALLOC D		5. Well No. 12H

GENERAL INFORMATION

6. Purpose of filing (mark ALL appropriate boxes):				
<input checked="" type="checkbox"/> New Drill	<input type="checkbox"/> Recompletion	<input type="checkbox"/> Reclass	<input type="checkbox"/> Field Transfer	<input type="checkbox"/> Re-Enter
<input type="checkbox"/> Amended	<input type="checkbox"/> Amended as Drilled (BHL) (Also File Form W-1D)			
7. Wellbore Profile (mark ALL appropriate boxes):				
<input type="checkbox"/> Vertical	<input checked="" type="checkbox"/> Horizontal (Also File Form W-1H)	<input type="checkbox"/> Directional (Also File Form W-1D)	<input type="checkbox"/> Sidetrack	
8. Total Depth 12000	9. Do you have the right to develop the minerals under any right-of-way ? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	10. Is this well subject to Statewide Rule 36 (hydrogen sulfide area)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

SURFACE LOCATION AND ACREAGE INFORMATION

11. RRC District No. 01	12. County LA SALLE	13. Surface Location <input checked="" type="checkbox"/> Land <input type="checkbox"/> Bay/Estuary <input type="checkbox"/> Inland Waterway <input type="checkbox"/> Offshore		
14. This well is to be located <u>3.9</u> miles in a <u>N</u> direction from <u>COTULLA</u> which is the nearest town in the county of the well site.				
15. Section 936	16. Block	17. Survey SHIVERS, C O	18. Abstract No. A-1072	19. Distance to nearest lease line: <u>1</u> ft.
20. Number of contiguous acres in lease, pooled unit, or unitized tract: 834.03				
21. Lease Perpendiculars: <u>971</u> ft from the <u>NORTH EAST</u> line and <u>6985</u> ft from the <u>NORTH WEST</u> line.				
22. Survey Perpendiculars: <u>971</u> ft from the <u>NORTH EAST</u> line and <u>6985</u> ft from the <u>NORTH WEST</u> line.				
23. Is this a pooled unit? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		24. Unitization Docket No:	25. Are you applying for Substandard Acreage Field? <input type="checkbox"/> Yes (attach Form W-1A) <input checked="" type="checkbox"/> No	

FIELD INFORMATION List all fields of anticipated completion including Wildcat. List one zone per line.

26. RRC District No.	27. Field No.	28. Field Name (exactly as shown in RRC records)	29. Well Type	30. Completion Depth	31. Distance to Nearest Well in this Reservoir	32. Number of Wells on this lease in this Reservoir
01	27135700	EAGLEVILLE (EAGLE FORD-1)	Oil or Gas Well	12000	485.00	8

BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)

Remarks See W1 Comments attached	Certificate: I certify that information stated in this application is true and complete, to the best of my knowledge. <u>Madelon Raney</u> <u>Aug 10, 2018</u> Name of filer Date submitted <u>(713)3281000</u> <u>madelon.raney@crzo.net</u> Phone E-mail Address (OPTIONAL)
RRC Use Only Data Validation Time Stamp: Aug 14, 2018 11:53 AM('As Approved' Version)	

**RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION**

Form W-1H 07/2004
Supplemental Horizontal Well Information

Permit Status: **Approved**
The RRC has not approved this application. Duplication or distribution of information is at the user's own risk.

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Permit # **843422**
Approved Date: **Aug 14, 2018**

1. RRC Operator No. 135316	2. Operator's Name (exactly as shown on form P-5, Organization Report) CARRIZO (EAGLE FORD) LLC	3. Lease Name GARZA B-JLH LIC C-E ALLOC D	4. Well No. 12H
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Lateral Drainhole Location Information

5. Field as shown on Form W-1 **EAGLEVILLE (EAGLE FORD-1) (Field # 27135700, RRC District 01)**

6. Section	7. Block	8. Survey MC MULLEN & MC GLOIN	9. Abstract 568	10. County of BHL LA SALLE
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11. Terminus Lease Line Perpendiculars 268 ft. from the SOUTH EAST line. and 1437 ft. from the SOUTH WEST line
12. Terminus Survey Line Perpendiculars 29 ft. from the NORTH WEST line. and 4283 ft. from the NORTH EAST line
13. Penetration Point Lease Line Perpendiculars 100 ft. from the NORTH WEST line. and 1366 ft. from the SOUTH WEST line

Permit Status: **Approved**

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**RAILROAD COMMISSION OF TEXAS
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APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER

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W-1 Comments

Permit # **843422**

Approved Date: **Aug 14, 2018**

[Aug 10, 2018 11:21 AM]: Commission Staff expresses no opinion as to whether a 100% ownership interest in each of the leases alone or in combination with a "production sharing agreement" confers the right to drill across lease/unit lines or whether a pooling agreement is also required. However, until that issue is directly addressed and ruled upon by a Texas court of competent jurisdiction it appears that a 100% interest in each of the leases and a production sharing agreement constitute a sufficient colorable claim to the right to drill a horizontal well as proposed to authorize the removal of the regulatory bar and the issuance of a drilling permit by the Commission, assuming the proposed well is in compliance with all other relevant Commission requirements.

Issuance of the permit is not an endorsement or approval of the applicant's stated method of allocating production proceeds among component leases or units. All production must be reported to the Commission as production from the lease or pooled unit on which the wellhead is located and reported production volume must be determined by actual measurement of hydrocarbon volumes prior to leaving that tract and may not be based on allocation or estimation. Payment of royalties is a contractual matter between the lessor and lessee. Interpreting the leases and determining whether the proposed proceeds allocation comports with the relevant leases is not a matter within Commission jurisdiction but a matter for the parties to the lease and, if necessary, a Texas court of competent jurisdiction.

The foregoing statements are not, and should not be construed as, a final opinion or decision of the Railroad Commission.; [RRC STAFF Aug 10, 2018 12:41 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Aug 10, 2018 2:22 PM]: Problem Report submitted to Mapping for NE line of A-568. Per Madelon Raney, "According to our surveyor the Survey Line should be 4,283' FNESL."; [RRC STAFF Aug 10, 2018 2:22 PM]: P-12's do not show correct lease names in Box 7.; [RRC STAFF Aug 13, 2018 1:05 PM]: Corrected P-12's attached.; [RRC STAFF Aug 13, 2018 1:05 PM]: Problems identified with this permit are resolved.; [RRC STAFF Aug 13, 2018 1:30 PM]: Distance to nearest lease line corrected.

GENERAL NOTES

- COORDINATES SHOWN ARE BASED ON TEXAS PLANE COORDINATE SYSTEM OF NAD 27, TEXAS SOUTH CENTRAL ZONE 4204
- VERTICAL DATUM IS NAVD 88
- LATITUDE AND LONGITUDE ARE NAD 27 AS SHOWN
- AREA, DISTANCES, AND COORDINATES ARE "GRID"
- UNITS ARE UNITED STATES SURVEY FOOT.
- ALL LEASE AND TRACT INFORMATION SHOWN HERE ON IS DONE SO BY LIMITED DEED RECORD INFORMATION ONLY. ALL ACREAGES SHOWN ARE BY DEED AND LEASE CALL, EXCEPT WHERE NOTED. THIS IS NOT IN ANY WAY A "BOUNDARY SURVEY". WELL STAKED 12-13-2017. SHL UPDATE 08-06-2018.

INDIANOLA R.R. CO. A-540

W.L. SHILLING A-1743

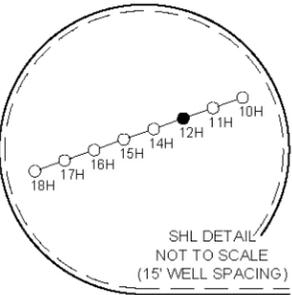
C.O. SHIVERS A-1072

C.M. WOLCKEN A-1351

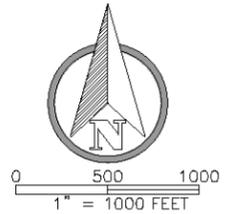
C.C.S.D. & R.G.N.R. RR. CO. A-713

MCMULLEN & MCGLOIN A-569

MCMULLEN & MCGLOIN A-568



LINE	BEARING	DISTANCE
L1	N 62°00'32" E	921.79'
L2	S 19°24'21" E	500.00'
L3	S 19°24'21" E	6292.61'
L4	S 27°58'10" E	512.10'
L5	S 19°10'47" E	5163.87'



TRACT	NAME	ACRES
1A	JLH LAND INVEST. CORP, ET AL	8.30
1B	BANK OF AMERICA, TR., ET AL	1.35
1C	30P MINERALS LTD., ET AL	11.94
1D	30P MINERALS LTD., ET AL	1.52
1E	30P MINERALS LTD., ET AL	42.43
1F	30P MINERALS LTD., ET AL	79.27
1G	B. NAYLOR MORTON TRUST ET AL	10.28
1H	SNOWMASS, INC., ET AL	55.05
1I	30P MINERALS LTD., ET AL	88.38
1J	B. NAYLOR MORTON TRUST ET AL	12.72
1K	30P MINERALS LTD., ET AL	83.99
TOTAL UNIT ACRES		395.23
2A	JLH LIC INVESTMENTS	135.30
2B	LAR-TEX INVESTMENTS	91.39
TOTAL UNIT ACRES		226.69
1	GARZA B UNIT	395.23
2	JLH LIC C UNIT	226.69
3	JLH LIC E UNIT	212.11
TOTAL ALLOCATION ACRES		834.03

PLAT OF:
A PROPOSED WELL LOCATION FOR:
CARRIZO (EAGLE FORD) LLC
GARZA B-JLH LIC C-E ALLOC D NO. 12H
SITUATED IN THE C. O. SHIVERS SURVEY, A-1072,
THE C.M. WOLCKEN SURVEY, A-1351,
THE C.C.S.D. & R.G.N.R. RR. CO., A-713,
THE MCMULLEN & MCGLOIN SURVEY, A-569,
THE MCMULLEN & MCGLOIN SURVEY, A-568,
AND BEING APPROXIMATELY 3.9 MILES NORTH OF
COTULLA, LA SALLE COUNTY, TEXAS.

CARRIZO (EAGLE FORD) LLC
GARZA B-JLH LIC C-E ALLOC D NO. 12H
LTP/BHL
Y = 228,332
X = 1,924,913
LAT. = 28.461098° N
LONG. = 99.233679° W
SEE LTP/BHL DETAIL



I HEREBY STATE THAT THIS PLAT SHOWS THE SUBJECT SURFACE LOCATION AS STAKED ON THE GROUND.

TOBY G. STOCK
REGISTERED PROFESSIONAL LAND SURVEYOR
STATE OF TEXAS NO. 6412



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DATE: 08-06-18 PROJECT NO: 2017122147
DRAWN BY: EP SCALE: 1" = 1000'
CHECKED BY: TS SHEET: 1 OF 1
FIELD CREW: CLGH REVISION:

PLOT: 08-08-2018