

API No. <u>42-419-31912</u> Drilling Permit # <u>909309</u> SWR Exception <u>(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	
1. RRC Operator No. <u>781863</u>		2. Operator's Name (as shown on form P-5, Organization Report) SILVER HILL ENERGY OPERATING LLC		3. Operator Address (include street, city, state, zip): 2850 N HARWOOD ST STE 1600 DALLAS, TX 75201-0000			
4. Lease Name EUBANKS UNIT		5. Well No. <u>5H</u>					
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 checked="" 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 <u>11700</u>		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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
SURFACE LOCATION AND ACREAGE INFORMATION							
11. RRC District No. <u>06</u>		12. County SHELBY		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>4</u> miles in a <u>SW</u> direction from <u>SHELBYVILLE</u> which is the nearest town in the county of the well site.							
15. Section	16. Block	17. Survey HINTON, J		18. Abstract No. A-288	19. Distance to nearest lease line: ft.	20. Number of contiguous acres in lease, pooled unit, or unitized tract: 835.35	
21. Lease Perpendiculars: <u>1179</u> ft from the <u>SOUTHWEST</u> line and <u>1330</u> ft from the <u>EAST</u> line. 22. Survey Perpendiculars: <u>760</u> ft from the <u>NORTH</u> line and <u>2226</u> ft from the <u>WEST</u> line.							
23. Is this a pooled unit? <input checked="" type="checkbox"/> Yes <input 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	
<u>06</u>	<u>16032300</u>	<u>CARTHAGE (HAYNESVILLE SHALE)</u>		<u>Gas Well</u>	<u>11700</u>	<u>947.00</u>	
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. <div style="display: flex; justify-content: space-between;"> <div> <u>Cheryl Morris, Regulatory admin</u> Name of filer <u>(903)5203918</u> Phone </div> <div> <u>Aug 11, 2025</u> Date submitted <u>cmorris@silverhillenergy.com</u> E-mail Address (OPTIONAL) </div> </div>			
RRC Use Only Data Validation Time Stamp: <u>Sep 5, 2025 11:27 AM ('As Approved' Version)</u>							

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

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Approved Date:	Sep 05, 2025

1. RRC Operator No. 781863	2. Operator's Name (exactly as shown on form P-5, Organization Report) SILVER HILL ENERGY OPERATING LLC	3. Lease Name EUBANKS UNIT	4. Well No. 5H
Lateral Drainhole Location Information			
5. Field as shown on Form W-1 CARTHAGE (HAYNESVILLE SHALE) (Field # 16032300, RRC District 06)			
6. Section	7. Block	8. Survey MERCHANT, J D	9. Abstract 463
10. County of BHL SHELBY			
11. Terminus Lease Line Perpendiculars 1911 ft. from the NORTH line. and 330 ft. from the EAST line			
12. Terminus Survey Line Perpendiculars 899 ft. from the NORTH line. and 6534 ft. from the EAST line			
13. Penetration Point Lease Line Perpendiculars 984 ft. from the SOUTH line. and 330 ft. from the EAST line			

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W-1 Comments

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[RRC STAFF Aug 11, 2025 1:17 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Aug 12, 2025 11:59 AM]: Uploaded revised plat.; [RRC STAFF Aug 12, 2025 11:59 AM]: Uploaded revised P-16.; [RRC STAFF Aug 12, 2025 12:00 PM]: Changed Nearest Distance from the First/Last Take Point (Heel/Toe) to a Lease Line from 100 to 1.; [RRC STAFF Aug 12, 2025 12:00 PM]: Changed Nearest Perpendicular Distance from Any Take Point to a Lease Line from 330 to 1.; [RRC STAFF Aug 12, 2025 12:00 PM]: Problems identified with this permit are resolved.; [RRC STAFF Aug 12, 2025 1:25 PM]: MARKED W1 AS POOLED UNIT PER PLAT AND P-12.; [RRC STAFF Sep 2, 2025 3:50 PM]: Publisher's affidavit and tear sheets attached.; [RRC STAFF Sep 5, 2025 11:27 AM]: Exception Admin Approved. 37(h)(2)(A). Service List; Publication.