PERMIT FOR GAS DRILLING AND PRODUCTION

The City of Arlington hereby issues permission to conduct gas drilling and completion activities associated with the well(s) identified below.

This Gas Drilling and Production Permit shall be posted in a conspicuous place on the drill site and shall not be removed without prior permission of the Gas Well Inspector. This permit shall be presented to the Gas Well Inspector or any City official upon request. The terms and provisions of the "Gas Drilling and Production" Chapter of the Code of the City of Arlington, as amended, are incorporated into this Gas Drilling and Production Permit as if written word for word herein and shall be considered terms and conditions of this Permit.

Permit Issued to:

Operator Carrizo Oil & Gas, Inc.

Agent to Receive Notice Scott Hudson

Mailing Address 1000 Louisiana Street, Suite 1500

City Houston State Texas Zip 77002 -

Work Phone (713) 328-1000 Mobile Phone ( ) E-mail scott.hudson@crzo.net

Well Name(s): Fannin Farms Unit #1H-5H

Property Description:

Address: 2400 Kuykendall

Parcel and Production Unit:

RRC Permit Number: Well #1H- 690447, #2H- 690448, #3H- 690449, #4H- 690450, #5H- 690451

Permit(s) is/are issued pursuant to the "Gas Drilling and Production" Chapter of the Code of the City of Arlington, as amended, (Ordinance Number 10-012); and the approved zoning, gas well resolution, and any associated stipulations made by City Council.

Comments:
Water source has been amended from two hydrants (H1-1,000 gpm H2-800 gpm) to three different hydrants though only two can be used at one time H1-800 gpm, H2-800 gpm and H3-600 gpm)

Fee	Receipt or Check No	Gas Well Permit No(s)	CC approval date
$ 750.00	142215	GW10-21 - GW10-25 R2	6.8.2010

Building Official *Date* 8/31/2011

Separate permits from the Community Development and Planning Department are required for building, mechanical, electrical, fire, concrete, walls/fencing, and plumbing.

The issuance of this permit shall not be construed as a permit to violate any provision of the Code of the City of Arlington, Texas or of the previously approved requirements, and associated site plan, identified in Zoning Case SUP 09-03, approved 08/18/2010, and Gas Well Resolution 10-151, approved 6-8-2010

Operator's Signature *Date* 8/26/11

Scott Hudson
Printed Name

Note: Submit an electronic, color copy of a completed permit that is signed and notarized by the operator. Once issued, an electronic copy will be returned to the Operator. Page 3, Permit Stipulations, will be added at time of issuance.

INDEMNIFICATION AND EXPRESS NEGLIGENCE PROVISIONS:

Each gas well permit issued by the inspector shall include the following language:

OPERATOR DOES HEREBY EXPRESSLY RELEASE AND DISCHARGE, ALL CLAIMS, DEMANDS, ACTIONS, JUDGMENTS, AND EXECUTIONS WHICH IT EVER HAD, OR NOW HAS OR MAY HAVE, OR ASSIGNS MAY HAVE, OR CLAIM TO HAVE, AGAINST THE CITY OF ARLINGTON, AND/OR ITS DEPARTMENTS, AGENTS, OFFICERS, SERVANTS, SUCCESSORS, ASSIGNS, SPONSORS, VOLUNTEERS, OR EMPLOYEES, CREATED BY, OR ARISING OUT OF PERSONAL INJURIES, KNOWN OR UNKNOWN, AND INJURIES TO PROPERTY, REAL OR PERSONAL, OR IN ANY WAY INCIDENTAL TO OR IN CONNECTION WITH THE PERFORMANCE OF THE WORK PERFORMED BY THE OPERATOR UNDER A GAS WELL PERMIT. THE OPERATOR SHALL FULLY DEFEND, PROTECT, INDEMNIFY, AND HOLD HARMLESS THE CITY OF ARLINGTON, TEXAS, ITS DEPARTMENTS, AGENTS, OFFICERS, SERVANTS, EMPLOYEES, SUCCESSORS, ASSIGNS, SPONSORS, OR VOLUNTEERS FROM AND AGAINST EACH AND EVERY CLAIM, DEMAND, OR CAUSE OF ACTION AND ANY AND ALL LIABILITY, DAMAGES, OBLIGATIONS, JUDGMENTS, LOSSES, FINES, PENALTIES, COSTS, FEES, AND EXPENSES INCURRED IN DEFENSE OF THE CITY OF ARLINGTON, TEXAS, ITS DEPARTMENTS, AGENTS, OFFICERS, SERVANTS, OR EMPLOYEES, INCLUDING, WITHOUT LIMITATION, PERSONAL INJURIES AND DEATH IN CONNECTION THEREWITH WHICH MAY BE MADE OR ASSERTED BY OPERATOR, ITS AGENTS, ASSIGNS, OR ANY THIRD PARTIES ON ACCOUNT OF, ARISING OUT OF, OR IN ANY WAY INCIDENTAL TO OR IN CONNECTION WITH THE PERFORMANCE OF THE WORK PERFORMED BY THE OPERATOR UNDER A GAS WELL PERMIT. THE OPERATOR AGREES TO INDEMNIFY AND HOLD HARMLESS THE CITY OF ARLINGTON, TEXAS, ITS DEPARTMENTS, ITS OFFICERS, AGENTS, SERVANTS, EMPLOYEES, SUCCESSORS, ASSIGNS, SPONSORS, OR VOLUNTEERS FROM ANY LIABILITIES OR DAMAGES SUFFERED AS A RESULT OF CLAIMS, DEMANDS, COSTS, OR JUDGMENTS AGAINST THE CITY, ITS DEPARTMENTS, ITS OFFICERS, AGENTS, SERVANTS, OR EMPLOYEES, CREATED BY, OR ARISING OUT OF THE ACTS OR OMISSIONS OF THE CITY OF ARLINGTON OCCURRING ON THE DRILL SITE OR OPERATION SITE IN THE COURSE AND SCOPE OF INSPECTING AND PERMITTING THE GAS WELLS INCLUDING, BUT NOT LIMITED TO, CLAIMS AND DAMAGES ARISING IN WHOLE OR IN PART FROM THE NEGLIGENCE OF THE CITY OF ARLINGTON OCCURRING ON THE DRILL SITE OR OPERATION SITE IN THE COURSE AND SCOPE OF INSPECTING AND PERMITTING THE GAS WELLS. IT IS UNDERSTOOD AND AGREED THAT THE INDEMNITY PROVIDED FOR IN THIS SECTION IS AN INDEMNITY EXTENDED BY THE OPERATOR TO INDEMNIFY AND PROTECT THE CITY OF ARLINGTON, TEXAS AND/OR ITS DEPARTMENTS, AGENTS, OFFICERS, SERVANTS, OR EMPLOYEES FROM THE CONSEQUENCES OF THE NEGLIGENCE OF THE CITY OF ARLINGTON, TEXAS AND/OR ITS DEPARTMENTS, AGENTS, OFFICERS, SERVANTS, OR EMPLOYEES, WHETHER THAT NEGLIGENCE IS THE SOLE OR CONTRIBUTING CAUSE OF THE RESULTANT INJURY, DEATH, AND/OR DAMAGE.

Scott Hudson
Operator's Signature

8/26/11
Date

Scott Hudson
Printed Name

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Scott Hudson, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed same for the purposes and consideration therein expressed as the act and deed of Carrizo Oil & Gas, Inc., and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 26th day of August, 20 11.

(Seal) DIANA L. DENTON
Notary Public, State of Texas
My Commission Expires
May 28, 2013

Diana L. Denton
Notary Public In and For The State of Texas

My Commission Expires: 5/28/2013