

SURFACE USE AGREEMENT

THIS SURFACE USE AGREEMENT (the “Agreement”) is made and entered into effective as of the 11th day of May, 2012 (the “Effective Date”) by and between **WEP TRANSPORT HOLDINGS, LLC**, a Nevada limited liability company (“WEP Transport”), and **COLORADO MAVERICK COMPANY, LLC**, a Texas limited liability company (“Colorado Maverick”) (hereinafter, collectively, “Grantor”), on the one hand, and **CARRIZO (NIOBRARA) LLC**, a Delaware limited liability company (“Carrizo”), on the other hand (hereinafter “Grantee”). WEP Transport, Colorado Maverick, Carrizo, Grantor and Grantee may be referred to herein individually as a “Party” and collectively as the “Parties.”

RECITALS

A. Grantor is the owner of the surface estate of certain lands located in Adams County, Colorado more particularly defined herein and described on Exhibit A hereto (the “Lands”).

B. Concurrently with their execution of this Agreement, the Parties have entered into four separate oil and gas leases with respect to portions of the Lands, as follows. First, concurrently with their execution of this Agreement, WEP Transport, as lessor, and Carrizo, as lessee, are entering into a separate written Paid Up Oil and Gas Lease dated as of the Effective Date with respect to a portion of WEP Transport’s interest in the Lands. Second, concurrently with their execution of this Agreement, Colorado Maverick, as lessor, and Carrizo, as lessee, are entering into a separate written Paid Up Oil and Gas Lease dated as of the Effective Date with respect to a portion of Colorado Maverick’s interest in the Lands. Thirdly, concurrently with their execution of this Agreement, WEP Transport as lessor, and WEP Colorado Holdings, LLC, as lessee, are entering into a written Paid Up Oil and Gas Lease dated as of the Effective Date with respect to a portion of WEP Transport’s interest in the Lands. Fourth, Colorado Maverick, as lessor, and Colorado Maverick Holdings, LLC, as lessee, are entering into a Paid Up Oil and Gas Lease dated as of the Effective Date with respect to a portion of Colorado Maverick’s interest in the Lands. The above mentioned four leases shall be referred to herein collectively as the “Leases.” The property subject to these four oil and gas leases shall be referred to herein in the aggregate as the “Leased Premises.” It is the intent of the Parties that, in the event of any conflict or inconsistency related to Grantee’s use and occupation of the surface of the Lands between or among any provisions in this Agreement and the Leases, the terms and provisions of this Agreement shall supersede, govern and control.

C. Grantee desires to prospect, drill and explore for oil and gas on the Leased Premises pursuant to the terms of the Leases, and the Parties have entered into the Leases and this Agreement in order to accommodate Grantee’s intended activities in that regard; *provided, however*, that said activities shall be conducted under, and defined and limited by, the Leases and this Agreement.

D. The Lands historically have been used for agricultural, grazing, ranching, water collection and sales, and other uses, and the Parties expect that such uses will continue during the term of the Leases and the term of this Agreement. Furthermore, however, as set forth herein, the Parties understand and acknowledge that Grantor intends, during the term of this Agreement and during the term of the Leases, to develop the Lands for commercial, industrial, and or other potential uses, or to sell all or some interest in, or portion of, the Lands for one or more such purposes, and that Grantor has invested, and will be investing, considerable sums in those endeavors. Accordingly, the Parties both recognize that it is possible, and indeed may even be likely, that the uses of the Lands during the term of the Leases and the term of this Agreement will become increasingly urban (as opposed to rural or agricultural), and that such changes will place increasing burdens and obligations on Grantee to plan and perform its oil and gas exploration and production activities in a safe, environmentally sensitive, and responsible fashion. Grantee’s occupation and uses of the surface of the Lands pursuant to the Leases and

Exhibit "A"

Surface Ownership for Colorado Maverick Company, LLC, and WEP Transport Holdings, LLC,
located in Adams County, CO

Township 3 South, Range 64 West:

- Section 8: NW/4, less that partial tract of land as described in Book 3031, Page 312, Adams County Records; W/2SW/4, less those tracts of land as described in Book 2835, Page 822 and re-recorded in Book 2838, Page 545 and less a tract of land described in Book 2848, Page 369, Adams County Records; E/2SW/4, less that tract of land as described in Book 2835, Page 822 and re-record in Book 2838, Page 545 and less a tract of land described in Book 2848, Page 369, Adams County Records
- Section 17: SW/4, except that portion lying within existing county roads, and less a parcel of land located in the SW/4 of Section 17 as described in Deed at Book 4262, Page 847 as follows: Commencing at the SW corner of said Section 17; thence N0 Degrees 33'00"E, along the West Section Line of said SW/4 of Section 17, a distance of 1317.50 feet to a point; thence S87 Degrees 56'12"E, parallel to the South line of said SW/4 of Section 17, a distance of 30.01 feet to a point on the East right-of-way line of Imboden Mile Road, also being the true Point of Beginning; thence, continuing S87 Degrees 56'12"E, parallel to the South line of said SW/4 of Section 17, a distance of 470.14 feet to a point; thence, N0 Degrees 33'00"E, parallel to the West line of said SW/4 of Section 17, a distance of 400.14 feet to a point; thence N87 Degrees 56'12"W, parallel to the South line of said SW/4 of Section 17, a distance of 470.16 feet to a point on the East right-of-way line of said Imboden Mile road; thence S0 Degrees 33'00"W, along said East right-of-way line of Imboden Mile road and parallel to the West line of said SW/4 of Section 17, a distance of 400.14 feet to the Point of Beginning; SE/4
- Section 20: NW/4, N/2SW/4, except that portion lying within existing county roads; S/2SW/4 except that portion lying within existing county roads; E/2
- Section 21: W/2, except that portion lying within existing county roads; SE/4
- Section 22: NE/4, except that portion lying within existing county roads; SE/4, except the North 208.71 feet of the East 417.72 feet, except that portion lying within existing county roads; W/2, except that portion lying within 28th Avenue, 38th and Cavanaugh Road
- Section 24: All
- Section 27: All that portion of section twenty seven (27) in Township 3 South of Range 64 West, west of the 6th Principle Meridian, lying North of the railroad ROW of the Union Pacific Railroad Company, and containing 534.7 acres, more or less
- Section 28: N/2; SW/4, SE/4 except any portion thereof lying within the Railroad Right-of-Way
- Section 30: SW/4NE/4, N/2SE/4, SE/4NW/4
- Section 32: Two tracts in the NE/4 more particularly described as: Commencing at the Southeast corner of the Northeast quarter of said Section 32; THENCE North 87° 48' 35" West along the South line of the Northeast quarter of said Section 32, a distance of 30.00 feet to the POINT OF BEGINNING; THENCE North 00° 56' 57" East along a line that is 30.00 feet West (as measured at right angles) and parallel with the East line of the Northeast quarter of said Section 32, and along the West line of a parcel of land recorded in book 195 at page 315 in the office of the Adams County Clerk and Recorder, a distance of 1350.88 feet to a point on the Southerly line of the 100.00 foot right-of-way of State Highway. 40 (formerly known as State Highway 8) said point also being on the Southerly line of a parcel

of land on file and recorded in book 194 at page 468 in the office of the Adams County Clerk and Recorder; THENCE South 79° 31' 33" West along the Southerly line of said State Highway. 40 and along the Southerly line of a parcel of land recorded in book 194 at page 468, a distance of 724.39 feet to a point on the Easterly line of a parcel of land on file and recorded in book 434 at page 323, in the office of the Adams County Clerk and Recorder; THENCE along the Easterly and Southerly lines of said book 434 at page 323 and also along the Southerly line of book 434 at page 322, the following 3 courses: 1) South 10° 28' 27" East, a distance of 350.00 feet; 2) South 79° 31' 33" West, a distance of 500.00 feet; 3) South 79° 31' 33" West, a distance of 195.00 feet to the Southeast corner of Galamb's Mobile Home Court, a plat on file and recorded in file 14 at page 194 in the office of the Adams County Clerk and Recorder; THENCE along the Southerly line of said Galamb's Mobile Home Court, the following 5 courses: 1) South 79° 31' 33" West, a distance of 285.00 feet; 2) North 10° 28' 27" West, a distance of 100.00 feet; 3) South 79° 31' 33" West, a distance of 300.00 feet; 4) South 10° 28' 27" East, a distance of 239.52 feet; 5) South 79° 31' 33" West, a distance of 426.82 feet;

THENCE South 01° 16' 33" West, a distance of 349.98 feet to a point on the South line of the Northeast 1/4 of said Section 32; THENCE South 87° 48' 35" East, along the South line of Northeast 1/4 of said Section 32, a distance of 2288.63 feet to the point of POINT OF BEGINNING, EXCEPT that part platted as Galamb's Subdivision Filing No.1, County of Adams, State of Colorado. Containing 13.66 acres. Also: Commencing at the Northeast corner of the Northeast quarter of said Section 32, said point also being the POINT OF BEGINNING; THENCE South 00° 56' 57" West along the East line of the Northeast quarter of said Section 32, a distance of 770.80 feet to a point on the Northerly line of the Union Pacific Railroad right-of-way; THENCE South 79° 31' 33" West along said Northerly line of the Union Pacific Railroad right-of-way, a distance of 2703.29 feet to a point on the West line of the Northeast quarter of said Section 32; THENCE North 00° 59' 27" East along the West line of the Northeast quarter of said Section 32, a distance of 1368.78 feet to the Northwest corner of the Northeast quarter of said Section 32; THENCE South 87° 41' 51" East along the North line of the Northeast quarter of said Section 32, a distance of 2649.49 feet to the POINT OF BEGINNING. Containing 65.01 acres m/l; Part of the NW/4 being north of the Union Pacific Railroad, ROW. being more particularly described as: BEGINNING at the Northwest corner of said Section 32; THENCE S 00° 04' 28" W along the west line of the NW/4 of Section 32 on a bearing shown on the Plat of Prairie View Filing No.1, Adams County, CO, a distance of 1966.82 feet to the north r.o.w. line of the Union Pacific Railroad; THENCE N 78° 32' 14" E along said north r.o.w. line a distance of 2704.66 feet to the north-south centerline of Section 32; THENCE N 00° 01' 11" E along said north-south centerline a distance of 1368.68 feet to the north 1/4 corner of said Section 32;

THENCE N 88° 41' 19" W along the north line of the NW/4 of Section 32 a distance of 2649.33 feet to the POINT OF BEGINNING. EXCEPT that parcel described as: That part of the NW/4, being more particularly described as: BEGINNING at the Northwest corner of said Section 32; THENCE S 00° 04' 28" W along the west line of the NW/4 of Section 32 on a bearing shown on the plat of Plat of Prairie View Filing No.1, Adams County, CO, a distance of 824.23 feet to the extended center line of east 25th Avenue and the TRUE POINT OF BEGINNING; THENCE s 89° 55' 32" E a distance of 331.55 feet to the BEGINNING of a curve to the right; THENCE southeasterly along said curve, having a radius of 1500.00 feet, a delta angle of 10° 55' 32", a chord that bears S 84° 27' 46" E, 285.60 feet, and an arc length of 286.03 feet; THENCE S 79° 00'

00" E a distance of 224.84 feet; THENCE S 00° 04' 28" W parallel with said west line a distance of 902.00 feet to the north r.o.w. line of the Union Pacific Railroad; THENCE S 78° 32' 14" W along said north r.o.w. line a distance of 853.87 feet to said west line of the NW 1/4 of Section 32 THENCE N 00° 04' 28" E along said west line a distance of 1142.59 feet to the true POINT OF BEGINNING.33

Township 3 South, Range 65 West:

Section 12: NE/4, E/2NW/4

IN WITNESS WHEREOF, the Parties have executed this Agreement effective as of the day and year first above written.

GRANTOR:

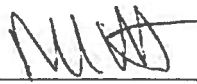

WEP TRANSPORT HOLDINGS, LLC

By: Western Energy Production, LLC
Manager

By: _____
Name: Steven Marshall
Title: President

GRANTEE

CARRIZO (NIOBRARA) LLC

By:  _____
Name: Richard H. Smith
Title: Vice President of Land ^{mt2}


COLORADO MAVERICK COMPANY, LLC

By: Longcope Family Ltd
Manager

By: EBL Inc.
General Partner

By: _____
Name: Ed Longcope
Its: President

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GRANTEE

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By: _____
Name: Steven Marshall
Title: President

COLORADO MAVERICK COMPANY, LLC

By: Longcope Family Ltd
Manager

By: EBL Inc.
General Partner

By:  _____
Name: Ed Longcope
Its: President

STATE OF TEXAS)
) SS.
County of HAYS)

My Commission Expires 10/10/13

Notary Public



STATE OF TEXAS)
) SS.
County of Harris)

My Commission Expires _____

Notary Public

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

WITNESS my hand and official seal.

Notary Public

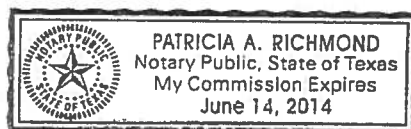
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My Commission Expires _____

Notary Public

LIMITED LIABILITY COMPANY ACKNOWLEDGEMENT

STATE OF TEXAS)
) SS.
County of Harris)



On this, the 10th day of May, 2012, before me a notary public, the undersigned officer, personally appeared Richard H. Smith, who acknowledged himself to be the Vice President of Land of CARRIZO (NIOBRARA) LLC, a limited liability company, and that he as such he, being authorized to do so, executed foregoing instrument for the purpose therein contained by signing the name of the corporation by himself as Vice President of Land.

My Commission Expires 6/14/2014

Patricia L. Richmond
Notary Public

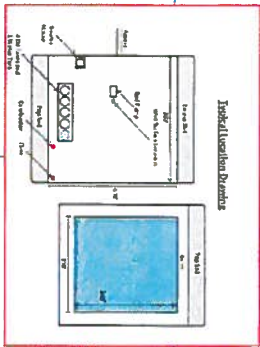
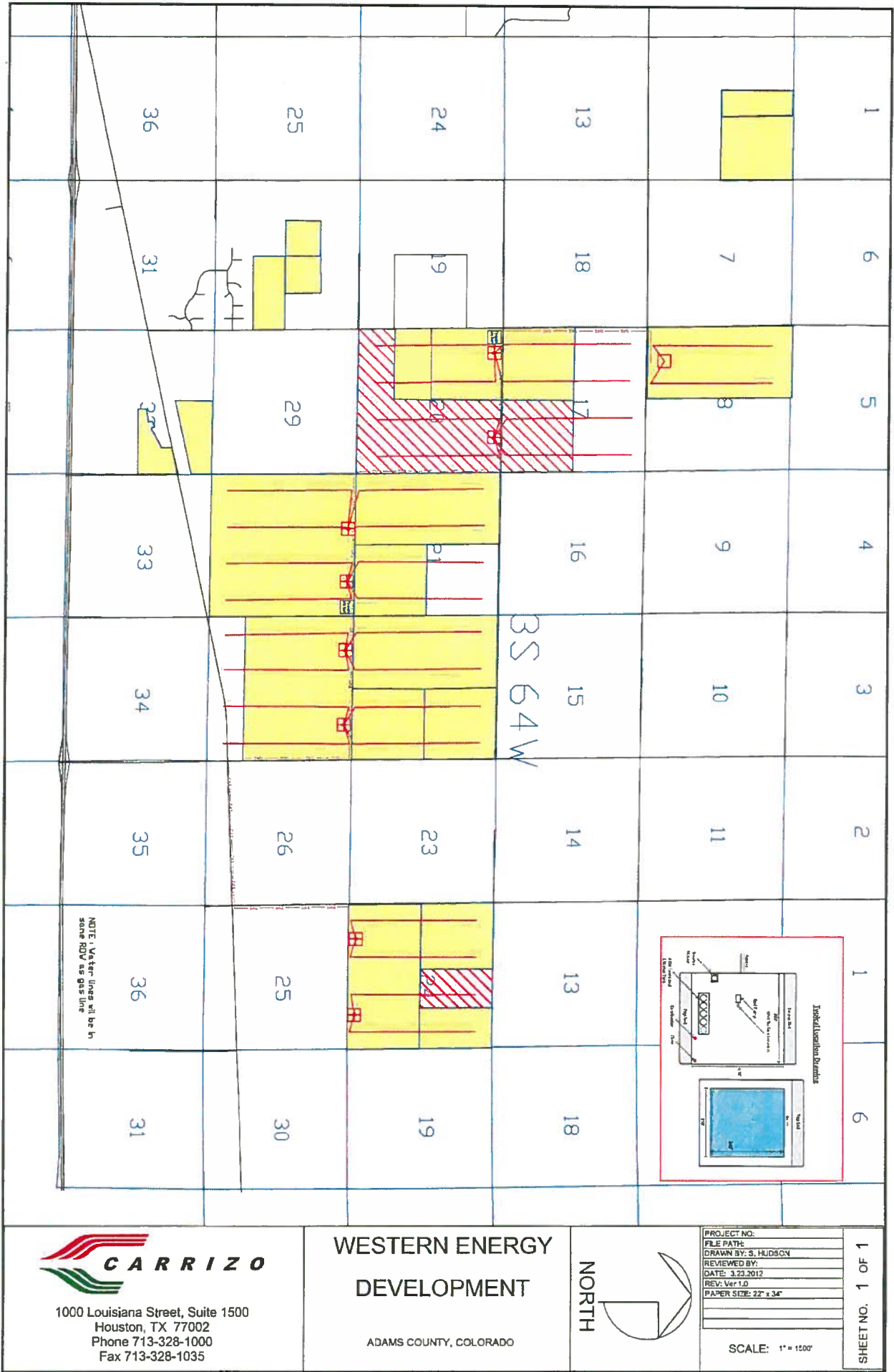
STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO)

On _____, before me, _____, a Notary Public, personally appeared Steven Marshall, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public



NOTE: Water lines will be in same ROW as gas line



1000 Louisiana Street, Suite 1500
Houston, TX 77002
Phone 713-328-1000
Fax 713-328-1035

WESTERN ENERGY DEVELOPMENT

ADAMS COUNTY, COLORADO

NORTH



PROJECT NO:	
FILE PATH:	
DRAWN BY: S. HUDSON	
REVIEWED BY:	
DATE: 3.23.2012	
REV: Ver 1.0	
PAPER SIZE: 22" x 34"	
SCALE: 1" = 1500'	

SHEET NO. 1 OF 1