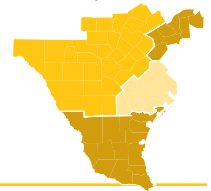




# SOUTH TEXAS SCOUT



Serving the local market with drilling activity, permits & deals for sale

Vol. 06, No. 06

## Regional Activity (State Data)

Permits Issued (04/10/18 - 04/30/18)

	Compls	Permits
South Texas (RRC 1)	36	101
South Texas (RRC 2)	37	93
South Texas (RRC 3)	3	22
South Texas (RRC 4)	20	50
<b>TOTAL</b>	<b>96</b>	<b>266</b>

## Most Active Operators by Permits

1 EOG Resources	40
2 Lewis Petro Properties	22
3 Chesapeake	21
<b>83 Total</b>	

## Permits by Formation (by Last Scout)

Formation	05/03	04/12	03/22
Eagle Ford	181	104	191
Austin Chalk	31	23	17
Edwards	9	6	1
Olmos	3	-	4
Wilcox	3	1	2
Woodbine -A-	3	6	2
Arnim	2	-	-
Menefee	2	-	-
Vicksburg Cons	2	2	2
Other Formations	30	45	45
<b>TOTAL</b>	<b>266</b>	<b>187</b>	<b>264</b>

Source: TXRRC

Active Rigs Running (Baker Hughes) **99**

## Marathon expands Eagle Ford core with strong results

This year Marathon Oil is leveraging its significant Bakken and Eagle Ford positions for free cash flow. But that hasn't kept the company from driving D&C improvements as Marathon completed company record IP24s in both plays during the first part of 2018.



Completed April 20, the Karnes City NE Unit #3H (6,232-ft lateral; Karnes Co.) flowed an initial 24-hour rate of 4,220 bo/d and 3,756 Mcf/d, or 4,846 boe/d (47% oil), from the Eagle Ford on a 32/64-in. choke at 3,516 psi FTP. The rate surpassed the

previous record 4,360 boe/d (89% oil) delivered by the Guajillo Unit 7 South #2H in Atascosa Co. during July 2017.

In Q1, Marathon turned to sales 34 Eagle Ford wells with IP30s averaging 1,750 boe/d (64% oil). Enhanced completion designs continued to deliver solid results outside of core Karnes Co., where the four-well Carpenter Kellner pad (Karnes Co.) and the four-well Guajillo West pad (Live Oak Co.) achieved average 30-day IP rates of 1,690 boe/d (78% oil) and 1,635 boe/d (73% oil), respectively.

➤ **Continues On Pg 10**

## Pursuit scores two high-quality gas wells in the Eagle Ford

Pursuit Oil & Gas completed its first two operated horizontals during Q1, with both wells in Hawkville field delivering 24-hour IPs in the top 5% of Eagle Ford gas wells completed since the beginning of 2017.



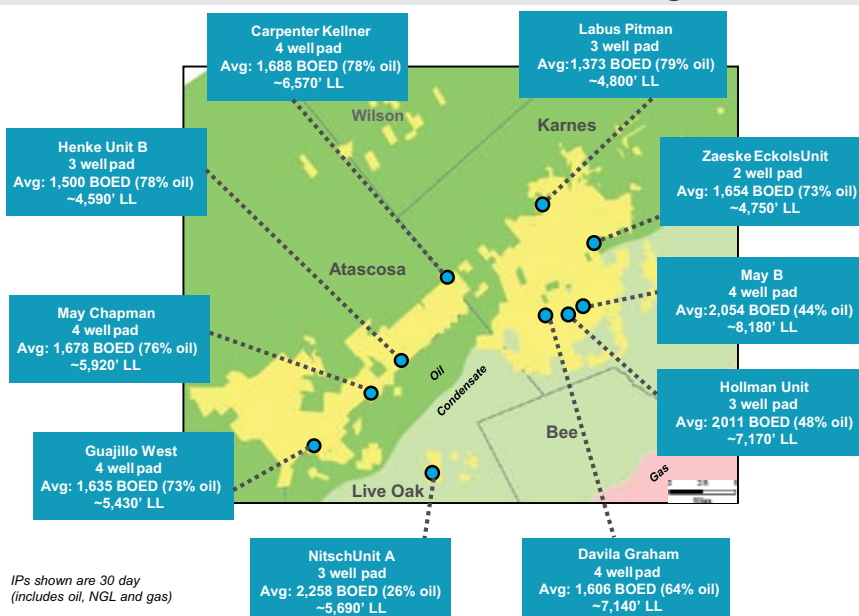
In Webb Co., the LaMuela #1H (8,507-ft lateral; 21.5 MMlbs of proppant) tested at 14,269 Mcf/d on a 21/64-in. choke at 6,792 psi flowing casing pressure. The top Eagle Ford gas completions have been drilled in Webb Co. by SilverBow

Resources (formerly Swift Energy), with IPs as high as 30 MMcf/d. SilverBow's acreage is concentrated on the central western edge of Webb, while Pursuit's completion is on the opposite corner of the county in the crock with LaSalle Co., near Encinal, showing strong gas productivity extends into LaSalle, where Lewis Energy and XTO have had consistently good gas results in the formation.

Pursuit's second well was completed in LaSalle County.

➤ **Continues On Pg 18**

## Marathon's Positive Q1 Results Across Eagle Ford



Source: Marathon Oil May 02, 2018 via PLS docFinder ([www.plsx.com/finder](http://www.plsx.com/finder))

## DEALS FOR SALE

### ATASCOSA CO., TX LEASES

~30,000-Net Acres.  
**CORE EAGLE FORD SHALE LEASE OR MINERAL TRANSACTION**  
 ~375 Locations Identified In Eagle Ford.  
 100% OPERATED WI: 75-100% NRI  
 Offset IP Rates: 1,000 - 1,500 BOED  
 Net Reserves: >180 - 240 MMBOE  
**LEASE CONTACT AGENT FOR UPDATE L 3127M**

### FRIO CO., TX ASSETS FOR SALE

20-Wells. 19,068-Net Acres. 20-Leases.  
**EAGLE FORD BLACK OIL WINDOW**  
 Austin Chalk, Buda, Georgetown & Pearsall  
 ~350 Hz EF Wells Drilled In Frio Co. To Date  
 100% OPERATED WI: 75% NRI  
 Net Production: 1,554 BOED (74% Oil)  
 Total Reserves: 63.1 MMBOE ~1,555  
 Total Proved Reserves: 2.8 MMBOE **BOED**  
**CONTACT AGENT FOR MORE INFO PP 1988DV**

**DEALS FOR SALE**

**SOUTH TEXAS SALE PACKAGE**

22-Wells. 23,164-Net Acres.  
**EAGLE FORD BLACK OIL WINDOW**  
**FRIO & ATASCOSA COUNTIES** **PP**  
 Shallow Depths At 7,800' - 8,700'  
 Austin Chalk Potential In Frio County.  
 Entire Position De-Risked By Existing Wells.  
 ~230 Gross Drilling Locations. **BLACK OIL WINDOW**  
 ~94% OPERATED WI  
 Currently Small Oil Production  
 Expected April 18' Prod: >5,100 BOED  
 Positioned For Full Field Development  
 -- w/Company Owned Gathering System  
 CONTACT AGENT FOR UPDATE  
**PP 3268DV**



**TEXAS GULF COAST PROSPECT**

5-Potential Wells. ~203-Acres.  
**SAN PATRICIO COUNTY** **DV**  
**WILLMANN, MAEDGEN & HOWELL FLD**  
 Miocene & Frio Formations  
 25 Potential Targets From 2,700' - 5,300'  
 Water Driven Reservoir w/Clean Sands.  
 Supported By Subsurface Geology **MIOCENE**  
**Leases Can Deliver 75% NRI**  
 Potential Rsvrs: 2,455 MBO & 12.77 BCF  
 2 Gas Lines Near Position.  
**DV 2024**



**WHARTON CO., TX PROSPECTS**

2-3-Proposed Wells. 300-Total Acres.  
**TEXAS GULF COAST** **DV**  
 Greta, Middle Frio Amplitude & Frio Oil  
 -- Sands At 5,500 Ft  
 Proprietary 3D Seismic Data Set  
**40% WI Available; 75% NRI** **FRIO**  
 Estimated Production: 120 BOPD  
 Potential Reserves: 337 MBO & 1.6 BCF  
 DHC: \$275,000; Completion: \$385,000  
**DV 2582**

**WILSON CO., TX PROPERTY SALE**

26-Wells. +/-303-Acres.  
**LA VERINA FIELD** **PP**  
**NAVARRO SANDS TREND**  
 Rights To All Depths.  
 Eagle Ford & Austin Chalk Potential  
 4 New Wells Drilled & Completed In 2017.  
**100% OPERATED WI; 75% NRI**  
 Current Production: ~9 BOPD  
 Est EURs: 12 MBO Per Well **NAVARRO**  
 PDP + PUD PV10: \$1,710,000  
 Est Drilling Costs: \$130,000 Per Well  
**PP 3702DV**

Find more listings at [www.plsx.com/listings](http://www.plsx.com/listings)



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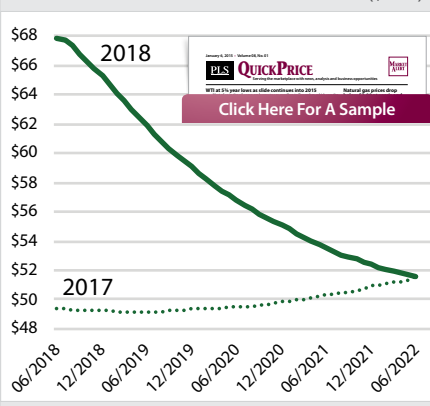
**SOUTH TEXAS (RRC 2)**

**VICTORIA**

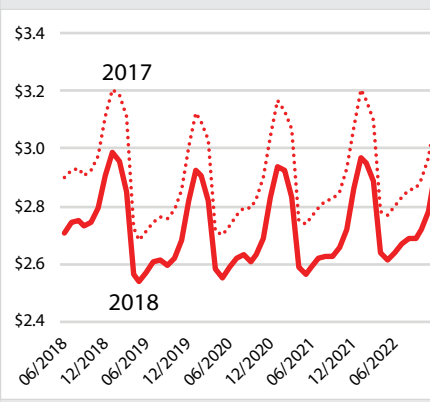
- **Anaqua Op.** Recompletion. Dean #Z. 42-469-34356. Telferner E Field. Oil. Recompleted 04/11/18. Orig Compl 09/20/16. McConnaughay J A-262. Spud 09/10/16. TD 5,276'. Form Rec: Catahoula 3887' & Frio 4428'. Surf Casing 8.625" to 1908' & Prod Casing 5.5" to 5276'. Perf'd 4428'-4440'. PBDT 4,960'. Choke 12/64-in. FTP 4,110 PSI. CP 750 PSI. Oil Grav 24.8° API. GOR 1,508:1. Gas Lifted 23 bo/d & 35 Mcf/d.
- **Frostwood Energy.** Completion. Ford Grant Unit #13H. 42-469-34381. Bloomington Field. 4600 Zone. HZ. Oil. Completed 10/31/17. Orig Permit 10/13/17. Perez F A-93. Spud 10/15/17. TD 7,312'. TVD 4,606'. Form Rec: Catahoula 4170' & Frio 5300'. Surf Casing 9.625" to 1680' & Prod Casing 7" to 5351'. Perf'd 5300'-7312'. Choke 29/64-in. FTP 400 PSI. CP 525 PSI. Oil Grav 23.6° API. GOR 413:1. Pumped 1,047 bo/d & 433 Mcf/d. KOP 4,350. 8,800' Permit. Ford Grant Unit #14H. 42-469-34397. Bloomington Field. 4600 Zone. HZ. Oil. Perez F A-93; PBHL A-93. 748 Acres. Issued 04/27/18.



**Crude Forward Curve (\$/bbl)**



**Natural Gas Curve (\$/Mcf)**



Sources: Bloomberg & PLS (as of 05/03/18)

**SOUTH TEXAS (RRC 3)**

**BRAZOS**

**Apache Corp.** 12,000' Field Transfer. McCullough-Wineman EF #2H. 42-041-32218. Giddings Field. Eagle Ford. HZ. Oil. Wickson D A-235; PBHL A-235. 669 Acres. Issued 04/18/18. **MD America Energy.** 9,000' Permit. OT (Allocation) #1H. 42-041-32509. Madisonville W Field. Woodbine -A. HZ. Oil. Cattenhead J F A-96; PBHL A-134. 2,209 Acres. Issued 04/27/18.



**BURLESON**

**WildHorse Resources.** 1 Compl, 9 Permits. **Giddings Field (Eagle Ford)**  
 ● Completion. Wilde EF Unit #1H. 42-051-34067. HZ. Oil. Completed 10/23/17. Orig Permit 07/10/17. Robertson S C A-50. Spud 08/13/17. TD 14,106'. TVD 6,968'. Form Rec: Poth 2760'; Wilcox 5250'; Pecan Gap 5298'; Austin Chalk 6539' & Eagle Ford 6686'. Surf Casing 10.75" to 3151', Int Casing 7.625" to 6739', Int Casing 5.5" to 6361' & Prod Casing 5" to 14084'. Perf'd 7266'-14046'. Choke 18/64-in. FTP 925 PSI. Oil Grav 32° API. GOR 569:1. Flowed 592 bo/d & 337 Mcf/d. 9,500' Permit. Bell A #1H. 42-051-34170. O&G. Huff W P A-31; PBHL A-3. 627 Acres. Issued 04/23/18.  
**4x** 8,400' Amended. Easy Rider #1H (thru #4H). 42-051-34163 (thru 34166). O&G. Williams S M A-62; PBHL A-62. 630 Acres. Issued 04/18/18.  
 8,400' Permit. Mustang Sally #4H. 42-051-34161. O&G. Williams S M A-62; PBHL A-71. 707 Acres. Issued 04/18/18.  
**2x** 7,800' Permits. Stanley Ef Unit #2H (#3H). 42-051-34168 (34169). O&G. Ruiz F A-54; PBHL A-54. 607 Acres. Issued 04/16/18.  
 9,500' Permit. Tatum B #1H. 42-051-34167. O&G. Huff W P A-31; PBHL A-3. 524 Acres. Issued 04/13/18.

**Pursuit O&G** ◀ **Continued From Pg 1**

The Brellenthin-Martin Unit A #1H (7,057-ft lateral; 18.0 MMlbs proppant) flowed 13,261 Mcf/d on a 21/64-in. choke at 6,384 psi flowing casing pressure. This is the fourth highest **PURSUIT OIL & GAS** IP24 for a gas well in the county to-date. Lewis tested the highest rate with the Gutierrez-Leyendecker #4H (8,544-ft lateral; 24.9 MMlbs proppant) delivering 15,137 Mcf/d.

Houston-based Pursuit was formed in 2014 and is backed by Pine Brook Partners. The company is headed by CEO and President Kirk Spilman who was previously CEO of Stonegate Production Company and Regional VP- Eagle Ford for Marathon Oil. **PLS**