

OKLAHOMA CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
P.O. BOX 52000
OKLAHOMA CITY, OK 73152-2000
(Rule 165:10-3-1)

API NUMBER: 151 24529

Approval Date: 05/15/2018

Expiration Date: 11/15/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 04 Twp: 27N Rge: 13W County: WOODS
SPOT LOCATION: ☐ SW ☐ SW ☐ SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 200 2395

Lease Name: LK CATTLE 4-27-13 Well No: 1H Well will be 200 feet from nearest unit or lease boundary.
Operator Name: BCE-MACH LLC Telephone: 4052528151 OTC/OCC Number: 24174 0

BCE-MACH LLC
14201 WIRELESS WAY STE 300
OKLAHOMA CITY, OK 73134-2512

LK CATTLE COMPANY
P.O. BOX 548
ALVA OK 73717

Formation(s) (Permit Valid for Listed Formations Only):

| Name | Depth | Name | Depth |
|--------------------|-------|------|-------|
| 1 MISSISSIPPI LIME | 5275 | 6 | |
| 2 | | 7 | |
| 3 | | 8 | |
| 4 | | 9 | |
| 5 | | 10 | |

Spacing Orders: 134572

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201803767
201803768

Special Orders:

Total Depth: 10211 Ground Elevation: 1334 Surface Casing: 890 Depth to base of Treatable Water-Bearing FM: 640

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 25000 Average: 8000

Is depth to top of ground water greater than 10ft below base of pit? Y

Within 1 mile of municipal water well? N

Wellhead Protection Area? N

Pit is located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is AP/TE DEPOSIT

Pit Location Formation: TERRACE

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-34518
H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

This permit does not address the right of entry or settlement of surface damages.
The duration of this permit is SIX MONTHS, except as otherwise provided by Rule 165: 10-3-1.
Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District Office of the Conservation Division as to when Surface Casing will be run.

HORIZONTAL HOLE 1

Sec 04 Twp 27N Rge 13W County WOODS

Spot Location of End Point: N2 N2 NW NE

Feet From: NORTH 1/4 Section Line: 150

Feet From: EAST 1/4 Section Line: 1980

Depth of Deviation: 5028

Radius of Turn: 477

Direction: 5

Total Length: 4433

Measured Total Depth: 10211

True Vertical Depth: 5355

End Point Location from Lease,
Unit, or Property Line: 150

Notes:

Category

Description

HYDRAULIC FRACTURING

5/15/2018 - G71 - OCC 165:10-3-10 REQUIRES:

1) PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE;

2) WITH NOTICE ALSO GIVEN 48 HOURS IN ADVANCE OF HYDRAULIC FRACTURING ALL WELLS TO BOTH THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES, USING THE "FRAC NOTICE FORM" FOUND AT THE FOLLOWING LINK: OCCEWEB.COM/OG/OGFORMS.HTML; AND,

3) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS TO BE REPORTED TO FRACFOCUS WITHIN 60 DAYS AFTER THE CONCLUSION THE HYDRAULIC FRACTURING OPERATIONS, USING THE FOLLOWING LINK: FRACFOCUS.ORG

PENDING CD - 201803767

5/15/2018 - G57 - 4-27N-13W
X134572 MSSLM
1 WELL
NO OP. NAMED
HEARING 5-29-2018

PENDING CD - 201803768

5/15/2018 - G57 - (E.O.) 4-27N-13W
X134572 MSSLM
COMPL. INT. NCT 150' FSL, NCT 150' FNL, NCT 1320' FEL
NO OP. NAMED
REC 5-15-2018 (JACKSON)

SPACING - 134572

5/15/2018 - G57 - (640) 4-27N-13W
EXT OTHERS
EXT 4194/58325/58634/130449 MSSLM

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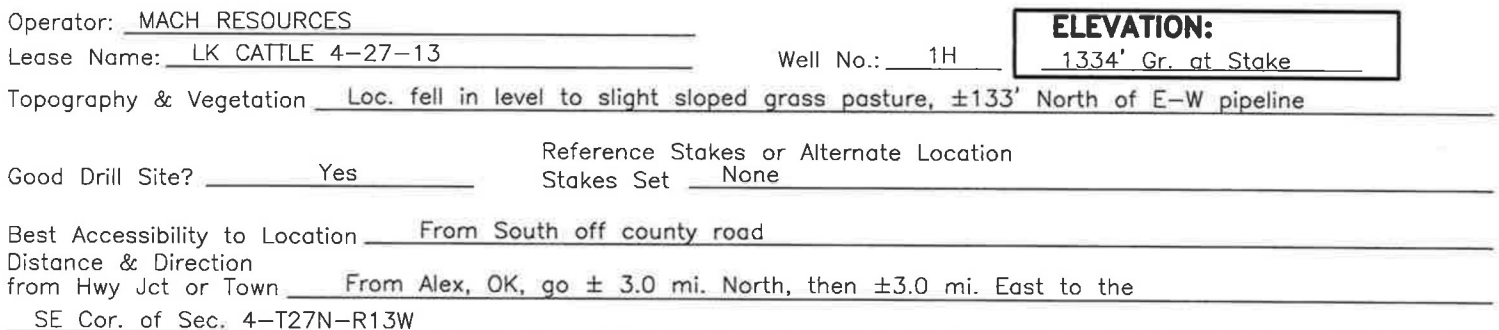
151 24529 LK CATTLE 4-27-13 1H

13800 Wireless Way, Okla. City, OK. 73134 (405) 843-4847 * OUT OF STATE (800) 654-3219
Certificate of Authorization No. 1293 LS

WOODS

County, Oklahoma

200'FSL - 2395'FEL Section 4 Township 27N Range 13W I.M.



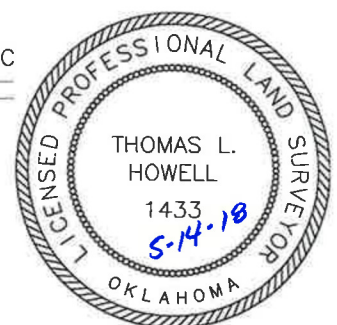
Date of Drawing: May 11, 2018

Invoice # 293570 Date Staked: May 07, 2018

AC

I, Thomas L. Howell an Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein

Thomas L. Haver
Oklahoma Lic. No. 1433



(This information was gathered with a GPS receiver with ± 1 foot Horiz./Vert. accuracy.)