API NUMBER: 003 23335

Oil & Gas

Horizontal Hole

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

Approval Date: 09/04/2018
Expiration Date: 03/04/2019

PERMIT TO DRILL

WELL LOCATION: Sec: 06 Twp: 27N Rge: 11W County: ALFALFA

SPOT LOCATION: S2 SE SW FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 190 1980

Lease Name: SCOTT 6-27-11 Well No: 2H Well will be 190 feet from nearest unit or lease boundary.

Operator BCE-MACH LLC Telephone: 4052528151 OTC/OCC Number: 24174 0

BCE-MACH LLC

14201 WIRELESS WAY STE 300

OKLAHOMA CITY, OK 73134-2512

MONICA SCOTT

1101 ROOSEVELT STREET

HAMMOND IN 46320

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

Name Depth Name Depth MISSISSIPPIAN 5270 1 6 2 7 3 8 4 9 10 590257 Spacing Orders: Location Exception Orders: 681673 Increased Density Orders: 681587

Pending CD Numbers: Special Orders:

Total Depth: 10169 Ground Elevation: 1218 Surface Casing: 500 Depth to base of Treatable Water-Bearing FM: 330

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: Yes

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: 18-34869

H. CLOSED SYSTEM = STEEL PITS PER OPERATOR REQUEST

HORIZONTAL HOLE 1

Sec 06 Twp 27N Rge 11W County ALFALFA

Spot Location of End Point: N2 N2 NE NW Feet From: NORTH 1/4 Section Line: 150

Feet From: WEST 1/4 Section Line: 1980

Depth of Deviation: 4783
Radius of Turn: 573
Direction: 360
Total Length: 4486

Measured Total Depth: 10169

True Vertical Depth: 5290

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

Additional Surface Owner Address City, State, Zip

ROGER ALLEN, TRUSTEE 1000 SOUTH PENNSYLVANIA DAVID J. SMITH SPECI CHEROKEE, OK 73728

Notes:

Category Description

HYDRAULIC FRACTURING 8/22/2018 - 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

INCREASED DENSITY - 681587 8/31/2018 - G57 - 6-27N-11W

X590257 MSSP

1 WELL

BCE-MACH LLC.

8-16-2018

LOCATION EXCEPTION - 681673 8/31/2018 - G57 - (I.O.) 6-27N-11W

X590257 MSSP

COMPL. INT. NCT 150' FSL, NCT 150' FNL, NCT 1320' FWL

BCE-MACH LLC.

8-17-2018

SPACING - 590257 8/31/2018 - G57 - (640) 6-27N-11W

VAC OTHERS

VAC 48568/289321 MSCT N2

VAC 258611 MSCT

VAC 261158/291192 MSSLM

EST MSSP, OTHERS

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

13800 Wireless Way, Oklo. City, OK. 73134 (405) 843—4847 * OUT OF STATE (800) 654—3219

Certificate of Authorization No. 1293 LS

API:003 23335 ALFALFA County, Oklahoma 190'FSL - 1980'FWL 6 27N Range 11W I.M. _ Township _ Section X 1878952 Y 675687 X 1873759 Y 675688 1500 Township Line→ T28N-R11W T27N-R11W ٥ <u>.00</u> > 575 1980 NO 150 FNL-1980 FWL NAD-27 (US Feet) 36 51 18.0 N 98 25 28.9 W LOT 4 LOT 1 LOT 2 LOT 3 36.855003927° N 98.424689666° W shown NOTE Y-675538 2500 DRILL construction information PROPOSED LOT 5 S/2-NE/4 The SE/4-NW/4 1878937 673031 6 X 1873734 Y 573042 LOT 6 QGR40 8-N-5 LANDING POINT 667'FSL-1980'FWL NAD-27 (US Feet) 36'50'33.7" N 98'25'29.2" W 15 Jan E/2-SW/4 2462 36.842684336" 98.424766557 X=1875695 Y=671052 GRID NAD-27 POINT. 593 LOT 7 OK NORTH US Feet X 1873709 9 670396 500" 1000 1902 1878921 X 1876282 Y 670382 LANDING POINT, BOTTOM HOLE AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED. Operator: MACH RESOURCES **ELEVATION:** Lease Name: SCOTT 6-27-11 2H Well No .: __ 1218' Gr. at Stake Topography & Vegetation Loc. fell in level wheat field Reference Stakes or Alternate Location Yes Stakes Set None Good Drill Site? __ From South off county road Best Accessibility to Location ___ Distance & Direction From Burlington, OK, go ±0.5 mi. West, then ±4.0 mi. South to from Hwy Jct or Town __ the SW Cor. of Sec. 6-T27N-R11W Date of Drawing: May 14, 2018 DATUM: NAD-27 LAT: 36'50'28.9"N LONG: 98'25'29.2"W Invoice # 293502 Date Staked: May. LONG: 98'25'29.2"W CERTIFICATE: d with a GPS of foot Horiz,/Vert. a SURVEYOR CENSED LAT: _ 36.841374223° N THOMAS L Thomas L. Howell ___an Okiahoma Licensed Land LONG: 98.424774733° W HOWELL Surveyor and an authorized agent of Topographic Land OKLAHOWA ST STATE PLANE Surveyors of Oklahoma, do hereby certify to the COORDINATES: (US Feet) information shown herein ZONE: OK NORTH 1. Nave 1875691 670575 Oklahoma Lic. No. _