

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

API NUMBER: 003 23305

Approval Date: 03/30/2018

Expiration Date: 09/30/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 08 Twp: 26N Rge: 11W County: ALFALFA

SPOT LOCATION: ☐ NW ☐ NW ☐ NW ☒ NE FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 200 2400

Lease Name: MCMURTREY 8-26-11

Well No: 2H

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

DOUGLAS LEE MCMURTREY
23863 COUNTY ROAD 590
CHEROKEE OK 73728

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	5425	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: 602795

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201802171
201802172

Special Orders:

Total Depth: 10059

Ground Elevation: 1214

Surface Casing: 460

Depth to base of Treatable Water-Bearing FM: 210

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: 5000

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: 18-34149

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 08 Twp 26N Rge 11W County ALFALFA

Spot Location of End Point: S2 S2 SW SE

Feet From: SOUTH 1/4 Section Line: 150

Feet From: EAST 1/4 Section Line: 1980

Depth of Deviation: 4701

Radius of Turn: 573

Direction: 170

Total Length: 4457

Measured Total Depth: 10059

True Vertical Depth: 5518

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

Notes:

Category

Description

HYDRAULIC FRACTURING

3/22/2018 - 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

PENDING CD - 201802171

3/22/2018 - G57 - 8-26N-11W
X602795 MSSP
1 WELL
NO OP. NAMED
HEARING 4-9-2018

PENDING CD - 201802172

3/22/2018 - G57 - (E.O.) 8-26N-11W
X602795 MSSP
COMPL. INT. NCT 150' FSL, NCT 150' FNL, NCT 1320' FEL
NO OP. NAMED
REC 3-26-2018 (M. PORTER)

SPACING - 602795

3/22/2018 - G57 - (640) 8-26N-11W
VAC 100063 MSSLM
VAC 110562 MSCH
EXT 602079 MSSP, OTHERS

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.

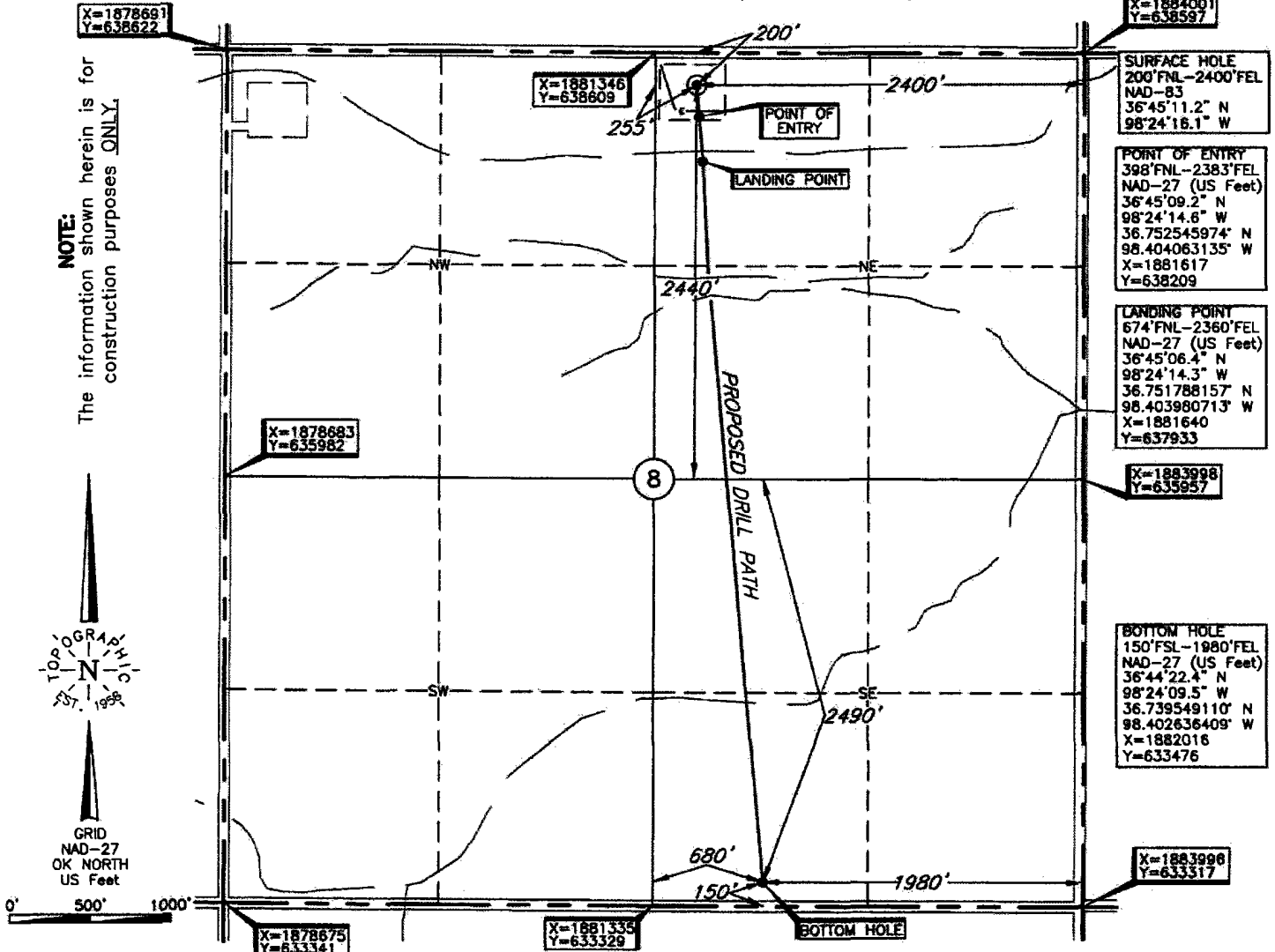
003 23305 MCMURTREY 8-26-11 2H

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA13800 Wireless Way, Okla. City, OK. 73134 (405) 843-4847 • OUT OF STATE (800) 654-3219
Certificate of Authorization No. 1293 LS

ALFALFA

County, Oklahoma

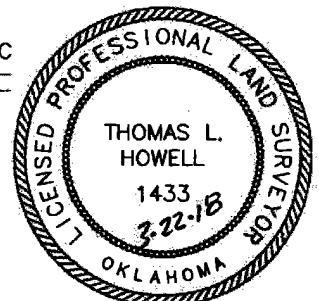
200'FNL - 2400'FEL Section 8 Township 26N Range 11W I.M.

NOTE:
The information shown herein is for
construction purposes ONLY.POINT OF ENTRY, LANDING POINT, BOTTOM HOLE AND DRILL PATH
INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED.**ELEVATION:**1214' Gr. at level pad NAVD88
1214' Gr. at level pad NGVD29Operator: MACH RESOURCESLease Name: MCMURTREY 8-26-11Well No.: 2HTopography & Vegetation Cellar on level padGood Drill Site? YesReference Stakes or Alternate Location
Stakes Set NoneBest Accessibility to Location From North off county road

Distance & Direction

from Hwy Jct or Town Jct. St. Hwy. 11 E-N and St. Hwy. 58 N-S, go ±3.0 mi. South onSt. Hwy. 58 to Cherokee, OK, go ±2.2 mi. West on paved road to the NE Cor. of Sec. 8-T26N-R11WRevision ☒ A Date of Drawing: Mar. 21, 2018Invoice # 290738 Date Staked: Mar. 19, 2018

AC

CERTIFICATE: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 hereinThomas L. Howell
Oklahoma Lic. No. 1433This information was
gathered with a GPS receiver
(with ±1 foot Horiz./Vert. accuracy)DATUM: NAD-27
LAT: 36°45'11.1\"N
LONG: 98°24'14.8\"W
LAT: 36.753092367\" N
LONG: 98.404123986\" W
STATE PLANE
COORDINATES: (US Feet)
ZONE: OK NORTH
X: 1881600
Y: 638408