API NUMBER: 003 23338

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: 09/12/2018
Expiration Date: 03/12/2019

PERMIT TO DRILL

WELL LOCATION: Sec: 29 Twp: 27N Rge: 10W County: ALFALFA

SPOT LOCATION: NW NW NE FEET FROM QUARTER: FROM NORTH FROM EAST SECTION LINES: 175 2365

Lease Name: LODGE 29-27-10 Well No: 2H Well will be 175 feet from nearest unit or lease boundary.

OperatorBCE-MACH LLCTelephone:4052528151OTC/OCC Number:241740Name:

BCE-MACH LLC

14201 WIRELESS WAY STE 300

OKLAHOMA CITY, OK 73134-2512

LINDA M. LODGE APARTMENT 2

1429 HAVENHURST DR.

LOS ANGELES CA 90046

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

Name Depth Name Depth MISSISSIPPIAN 5700 1 6 2 7 3 8 4 9 10 624577 Spacing Orders: Location Exception Orders: 679264 Increased Density Orders: 679263

Pending CD Numbers: Special Orders:

Total Depth: 10550 Ground Elevation: 1153 Surface Casing: 340 Depth to base of Treatable Water-Bearing FM: 290

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

Chlorides Max: 25000 Average: 8000

Is depth to top of ground water greater than 10ft below base of pit? $\quad \mbox{Y}$

Within 1 mile of municipal water well? N
Wellhead Protection Area? N

Type of Mud System: WATER BASED

Pit is located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-34864

H. CLOSED SYSTEM = STEEL PITS PER OPERATOR REQUEST

HORIZONTAL HOLE 1

Sec 29 Twp 27N Rge 10W County ALFALFA

Spot Location of End Point: SE SW SW SE
Feet From: SOUTH 1/4 Section Line: 150
Feet From: EAST 1/4 Section Line: 2200

Depth of Deviation: 5462
Radius of Turn: 382
Direction: 178
Total Length: 4488

Measured Total Depth: 10550

True Vertical Depth: 5700

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

Notes:

Category Description

HYDRAULIC FRACTURING 9/10/2018 - 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 - 679263 9/10/2018 - G57 - 29-27N-10W

X624577 MSSP 1 WELL BCE-MACH, LLC 6-14-2018

LOCATION EXCEPTION - 679264 9/10/2018 - G57 - (I.O.) 29-27N-10W

X624577 MSSP

COMPL. INT. NCT 150' FNL, NCT 150' FSL, NCT 660' FEL

BCE_MACH, LLC.

6-14-2018

SPACING - 624577 9/10/2018 - G57 - (640) 29-27N-10W

EXT 615851 MSSP

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

13800 Wireless Way, Okla. City, OK, 73134 (405) 843-4847 * OUT OF STATE (800) 654-3219 API:003 23338

Certificate of Authorization No. 1293 LS ALFALFA County, Oklahoma 175'FNL 2365'FEL 29 27N Range 10W I.M. Section Township X 1910113 Y 654259 (1) SURFACE HOLE 175'FNL-2365'FEL į 2365 NAD-83 36'47'47.2" N 98'17'50.7" W 271 only. LANDING POINT shown herein construction purposes 2470 LANDING POINT CANDING POINT 652 FNL-2349 FEL NAD-27 (US Feet) 36 47 42.4 N 98 17 49.2 W 36.795101865 N PROPOSED information 98.297003038° W X=1913031 Y=653589 DRILL Pe 29 X 1915371 Y 651582 1910095 651612 OGRAN BUTTOM HOLE 150'FSL-2200'FEL NAD-27 (US Feet) 36'46'58.0" N 98'17'47.5" W 36.782774579° N 98.296518820° W X=1913159 Y=649101 2494 GRID NAD-2 OK NORTH 2200 US Feet 440 1000 X 1915359 Y 648941 150 X 1912718 Y 648953 LANDING POINT, BOTTOM HOLE AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED. ELEVATION: Operator: MACH RESOURCES 1153' Gr. at Stake NAVD88 Lease Name: LODGE 29-27-10 Well No .: _ 2H 1153' Gr. at Stake NGVD29 Topography & Vegetation <u>Loc. fell in level grass pasture</u> Reference Stakes or Alternate Location Yes Stakes Set None Good Drill Site? ___ From North off St. Hwy. 11 Best Accessibility to Location ____ THOM HY Distance & Direction From Cherokee, OK, go ±3.0 mi. North, then ±4.0 mi. East, from Hwy Jct or Town_ then ±0.25 mi. South to the NE Cor. of Sec. 29-T27N-R10W Date of Drawing: May 18, 2018 Invoice # 291977 Date Staked: May. 16, 2018 DATUM: NAD-27 LAT: __36"47'47.1"N LONG: 98'17'49.4"W CERTIFICATE: SURVE gathered with a GPS with ±1 foot Horiz,/Vert. LAT: 36.796411363' N Thomas L. Howell _an Oklahoma Licensed Land LONG: 98.297054484° W Surveyor and an authorized agent of Topographic Land STATE PLANE Surveyors of Oklahoma, do hereby certify to the COORDINATES: (US Feet) information shown herein O'T LAHOWA ZONE: OK NORTH 1913018 654066 Oklahoma Lic. No.