

API NUMBER: 073 26797

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

Approval Date: 11/19/2021
Expiration Date: 05/19/2023

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 17 Township: 17N Range: 5W County: KINGFISHER

SPOT LOCATION: ☐ NE ☐ SW ☐ SW ☐ SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 354 2277

Lease Name: LINCOLN SOUTHEAST OSWEGO UNIT Well No: 37-3HO Well will be 354 feet from nearest unit or lease boundary.
Operator Name: HINKLE OIL & GAS INC Telephone: 4058480924 OTC/OCC Number: 21639 0

HINKLE OIL & GAS INC
5600 N MAY AVE STE 295
OKLAHOMA CITY, OK 73112-4275

BCE-MACH III LLC
14201 WIRELESS WAY
OKLAHOMA CITY OK 73134

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

Name	Code	Depth
1 OSWEGO	404OSWG	6300

Spacing Orders: 52793

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 11947 Ground Elevation: 1084

Surface Casing: 240

Depth to base of Treatable Water-Bearing FM: 190

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

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 21-37959
H. (Other) CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 5000 Average: 3000

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

HORIZONTAL HOLE 1

Section: 17 Township: 17N Range: 5W Meridian: IM Total Length: 5073
County: KINGFISHER Measured Total Depth: 11947
Spot Location of End Point: N2 NE NE NW True Vertical Depth: 6329
Feet From: NORTH 1/4 Section Line: 1 End Point Location from
Feet From: WEST 1/4 Section Line: 2310 Lease, Unit, or Property Line: 1

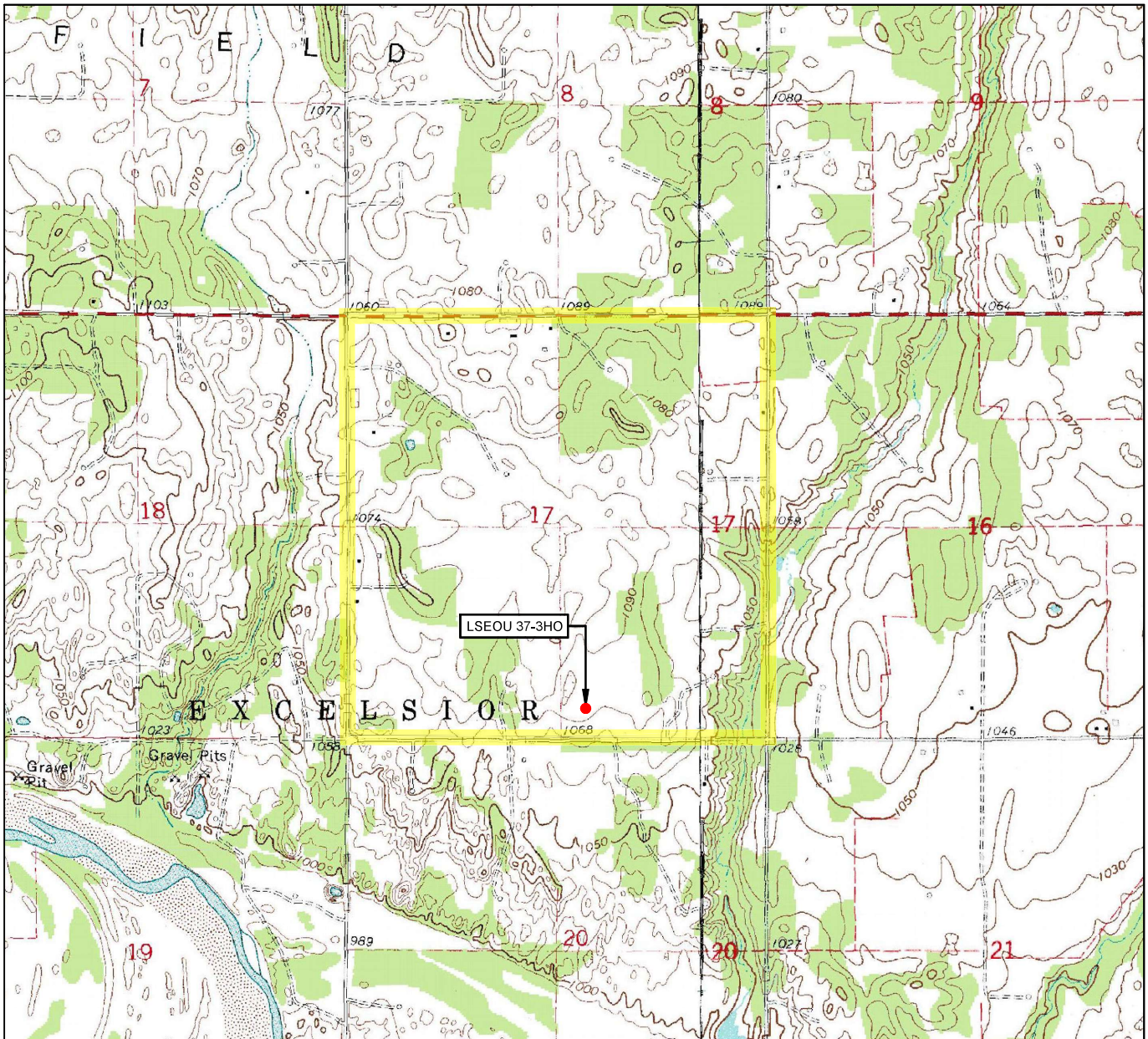
NOTES:

This permit does not address the right of entry or settlement of surface damages. The duration of this permit is 18 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.

Category	Description
HYDRAULIC FRACTURING	<p>[11/18/2021 - GC2] - OCC 165:10-3-10 REQUIRES:</p> <p>1) NOTICE SHALL BE GIVEN AT LEAST 5 BUSINESS DAYS PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS ON A HORIZONTAL WELL TO OPERATORS PRODUCING WELLS WITHIN 1 MILE OF THE COMPLETION INTERVAL OF THE SUBJECT WELL. THE NOTICE TO SUCH OPERATORS SHALL CONTAIN THE INFORMATION IN FORM 6000NOO. IF THE HYDRAULIC FRACTURING OPERATIONS SCHEDULE CHANGES AFTER NOTICE HAS BEEN PROVIDED, RESULTING IN A DELAY OF OPERATIONS OF MORE THAN 5 DAYS FROM THE INITIAL NOTICE, NEW NOTICE IS REQUIRED TO BE GIVEN;</p> <p>2) NOTICE WILL BE GIVEN TO THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES AT LEAST 48 HOURS PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS. FORM 6000NHF SHALL BE USED AND IS FOUND AT THIS LINK: OCCEWEB.COM/OG/OGFORMS.HTML; AND,</p> <p>3) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS IS TO BE REPORTED TO FRACFOCUS WITHIN 60 DAYS AFTER THE CONCLUSION OF HYDRAULIC FRACTURING OPERATIONS, FOUND AT FRACFOCUS.ORG</p>
SPACING - 52793	<p>[11/19/2021 - G56] - (UNIT) 17-17N-5W EST LINCOLN SOUTHEAST OSWEGO UNIT FOR OSWG</p>

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LOCATION & ELEVATION VERIFICATION MAP



LEASE NAME & WELL NO. LSEOU 37-3HO

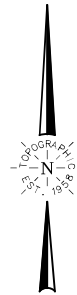
SECTION 17 TWP 17N RGE 5W MERIDIAN I.M.

COUNTY KINGFISHER STATE OKLAHOMA

DESCRIPTION 354' FSL & 2277' FEL

ELEV.: 1083' (NGVD29)

ELEV.: 1084' (NAVD88)



SCALE: 1" = 2000'
0' 1000' 2000'

THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY HINKLE OIL & GAS. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

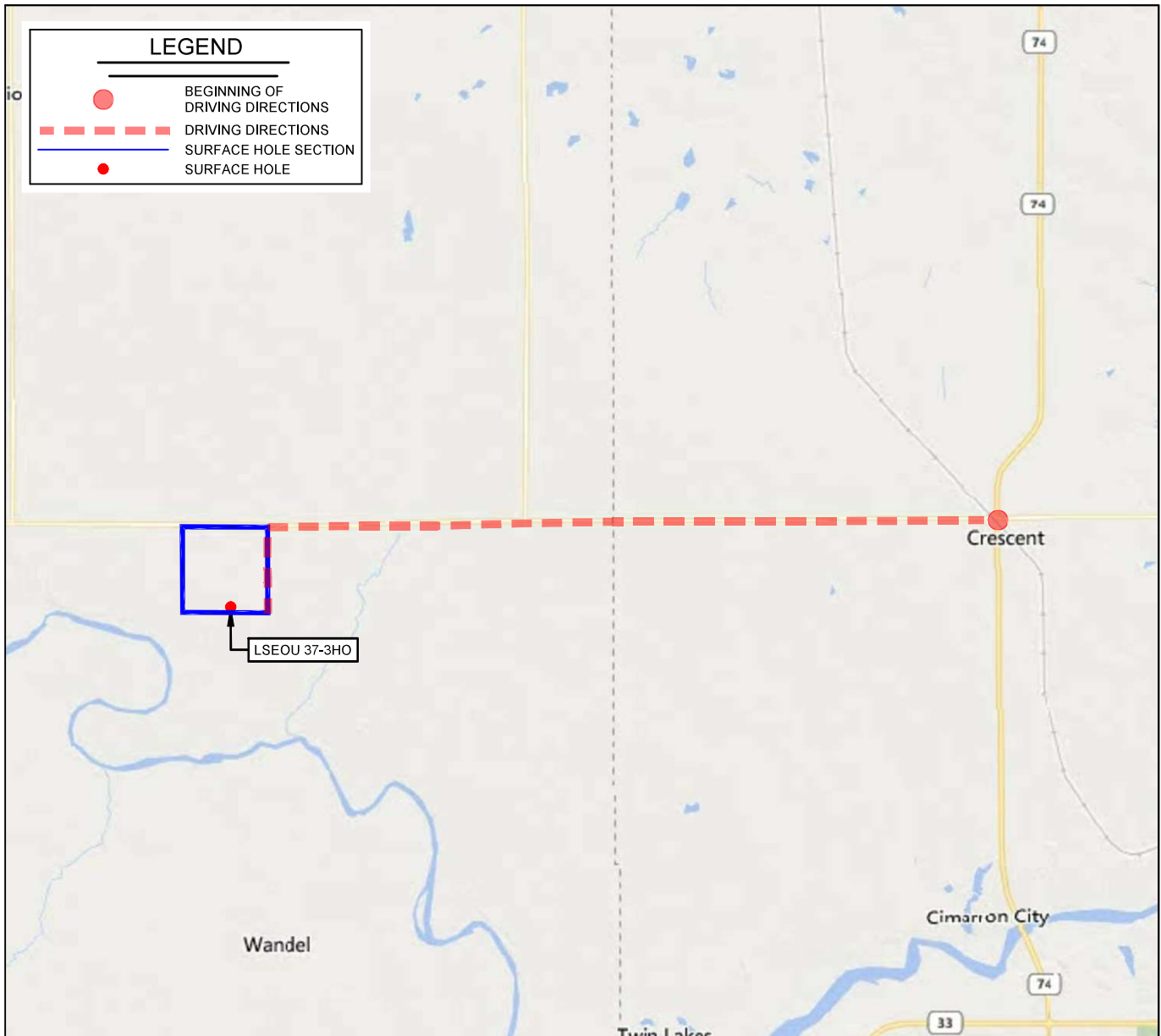
ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE OKLAHOMA STATE PLANE COORDINATE SYSTEM, NORTH ZONE OF THE NORTH AMERICAN DATUM, U.S. SURVEY FEET.



TOPOGRAPHIC
LOYALTY INNOVATION LEGACY

13800 WIRELESS WAY • OKLAHOMA CITY, OKLAHOMA 73134
TELEPHONE: (405) 843-4847 OR (800) 654-3219
CERTIFICATE OF AUTHORIZATION NO. 1292 LS
WWW.TOPOGRAPHIC.COM

VICINITY MAP



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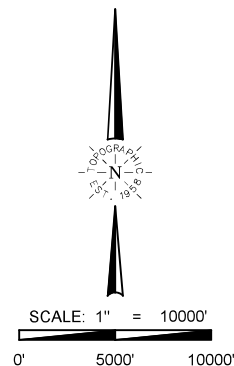
DESCRIPTION 354' FSL & 2277' FEL

DISTANCE & DIRECTION

FROM CRESCENT, OK. GO ± 8.5 MI. WEST ON W. CRESCENT DOVER RD/E730 RD., THEN GO ± 1.0 MI. SOUTH ON N2950 RD TO THE SOUTHEAST CORNER OF SECTION 17-T17N-R5W.

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