API NUMBER: 151 24576

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: 09/11/2019
Expiration Date: 03/11/2021

PERMIT TO DRILL

WELL LOCATION: Sec: 33 Twp: 29N Rge: 17W County: WOODS

SPOT LOCATION: NW SE SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST SECTION LINES: 339 1795

Lease Name: MACKEY LEE 33-29-17 Well No: 3H Well will be 339 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

LEE MACKEY LLC PO BOX 852

ALVA OK 73717

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

Name Depth Name Depth MISSISSIPPIAN 1 5550 6 2 7 3 8 4 9 10 128698 Spacing Orders: Location Exception Orders: 700580 Increased Density Orders: 699131

Pending CD Numbers: Special Orders:

Total Depth: 10602 Ground Elevation: 1864 Surface Casing: 540 Depth to base of Treatable Water-Bearing FM: 490

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

PIT 1 INFORMATION

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?

Pit is located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C
Pit Location is BED AQUIFER
Pit Location Formation: MARLOW

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 19-36797

H. CLOSED SYSTEM = STEEL PITS PER OPERATOR REQUEST

HORIZONTAL HOLE 1

Sec 33 Twp 29N Rge 17W County WOODS

Spot Location of End Point: N2 N2 NE NE
Feet From: NORTH 1/4 Section Line: 150
Feet From: EAST 1/4 Section Line: 660

Depth of Deviation: 4965 Radius of Turn: 590

Direction: 14
Total Length: 4710

Measured Total Depth: 10602

True Vertical Depth: 5555

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

Notes:

Category Description

HYDRAULIC FRACTURING 8/15/2019 - 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 - 699131 9/11/2019 - GC4 - 33-29N-17W

X128698 MSSP 1 WELL BCE-MACH LLC 7-12-2019

LOCATION EXCEPTION - 700580 9/11/2019 - GC4 - (I.O.) 33-29N-17W

X128698 MSSP

COMPL. INT. NCT 150' FSL, NCT 150' FNL, NCT 330' FEL

BCE-MACH LLC 8/9/2019

SPACING - 128698 9/11/2019 - GC4 - (640) 33-29N-17W

VAC OTHERS EST OTHERS

EXT 64632/114205 MSSP

EXT OTHERS

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

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

Certificate of Authorization No. 1293 LS API: 15124576 WOODS County, Oklahoma 1795'FEL Section 33 Township X 1698628 Y 714177 BOTTOM HOLE X 169336 Y 714243 X 1695997 Y 714210 BOTTOM HOLE 150'FNL-560'FEL NAD-27 (US Feet) 36'57'25.5" N 99'02'01.0" W 36.957070911' N 99.033622400' W X 1697966 Y 714036 PATH DRILL PROPOSED X 1693332 Y 711599 X 1698597 Y 711532 2306 LANDING POINT CANDING POINT 600'FSL-660'FEL NAD-27 (US Feet) 36'56'40.6" N 99'02'01.1" W 36.944601090' N 14 WEST GRID EXISTING WELL NAD-27 OK NORTH US FEET LANDING 99.033638466* 1697913 Scale: 1" = 1000' 839' 709496 1693297 1698566 708887 0 1000' 339 Township 7th STANDARD PARALLEL NORTH T28N-R17W NOTES: THE INFORMATION SHOWN HEREIN IS FOR CONSTRUCTION PURPOSES ONLY X 1695426 Y 708928 LANDING POINT, BOTTOM HOLE AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED. Operator: MACH RESOURCES **ELEVATION:** Lease Name: _ MACKEY LEE 33-29-17 1864' Gr. at Stake 3H Well No .: _ Topography & Vegetation Loc. fell in rough sloped pasture Reference Stakes or Alternate Location Yes Good Drill Site? ___ Stakes Set _ None From South or West off trail Best Accessibility to Location ___ Distance & Direction From Camp Houston, OK, go ±4.0 mi. East, then ±9.25 mi. North, from Hwy Jct or Town __ NSED THE STONAL then ±0.75 mi. East on lease road to the SW Cor. of Sec. 33-T29N-R17W Date of Drawing; <u>Jul. 09, 2019</u> DATUM: NAD-27 LAT: 36'56'38.0" LONG: 99'02'15.1" Invoice # 127369 Date Staked: Jun. 14, 2019 LAT: 36'56'38.0"N LONG: 99'02'15.1"W CERTIFICATE: information was with a GPS foot Horiz./Vert. c CENSED LAT: _36.943890300° N Thomas L. Howell _an Oklahoma Licensed Land LONG: 99.037524096° 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 ZONE: OK NORTH 1696774 OKLAHOM AHOM 709249 Oklahoma Lic. No. 1433