

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

API NUMBER: 151 24590

Approval Date: 01/14/2020

Expiration Date: 07/14/2021

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 17 Twp: 27N Rge: 17W County: WOODS  
SPOT LOCATION: ☐ NE ☐ NE ☐ NE ☐ NE FEET FROM QUARTER: FROM NORTH FROM EAST  
SECTION LINES: 316 178

Lease Name: HESTER 9-27-17 Well No: 2H Well will be 178 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

MARY F. HESTER REVOCABLE TRUST  
1609 DALMATION DRIVE  
SAN PEDRO CA 90732

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

Name	Depth	Name	Depth
1 MISSISSIPPI LIME	5600	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 69461 Location Exception Orders: 705609 Increased Density Orders: 705608  
69571

Pending CD Numbers:

Special Orders:

Total Depth: 11028 Ground Elevation: 1762 Surface Casing: 640 Depth to base of Treatable Water-Bearing FM: 590

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: DOG CREEK

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 20-37185  
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 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.

# HORIZONTAL HOLE 1

Sec 09 Twp 27N Rge 17W County WOODS

Spot Location of End Point: N2 N2 NW NW

Feet From: NORTH 1/4 Section Line: 150

Feet From: WEST 1/4 Section Line: 660

Depth of Deviation: 5302

Radius of Turn: 505

Direction: 10

Total Length: 4933

Measured Total Depth: 11028

True Vertical Depth: 5745

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

## Notes:

### Category

### Description

DEEP SURFACE CASING

1/10/2020 - G71 - NO DSC - SURFACE HOLE PROBLEMS IN 16-27N-17W

HYDRAULIC FRACTURING

1/10/2020 - 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: [OCCWEB.COM/OG/OGFORMS.HTML](http://OCCWEB.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](http://FRACFOCUS.ORG)

INCREASED DENSITY - 705608

1/14/2020 - G56 - 9-27N-17W  
X69461/69571 MSSLM  
1 WELL  
BCE-MACH LLC  
11/25/2019

LOCATION EXCEPTION - 705609

1/14/2020 - G56 - (I.O.) 9-27N-17W  
X69461/69571 MSSLM  
COMPL INT NCT 150' FSL, NCT 150' FNL, NCT 330' FWL  
BCE-MACH LLC  
11/25/2019

SPACING - 69461

1/14/2020 - G56 - (640) 9-27N-17W  
EXT 64457/68061 MSSLM, OTHERS

SPACING - 69571

1/14/2020 - G56 - NPT ORDER # 69461 TO PRESENT FURTHER EVIDENCE

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.

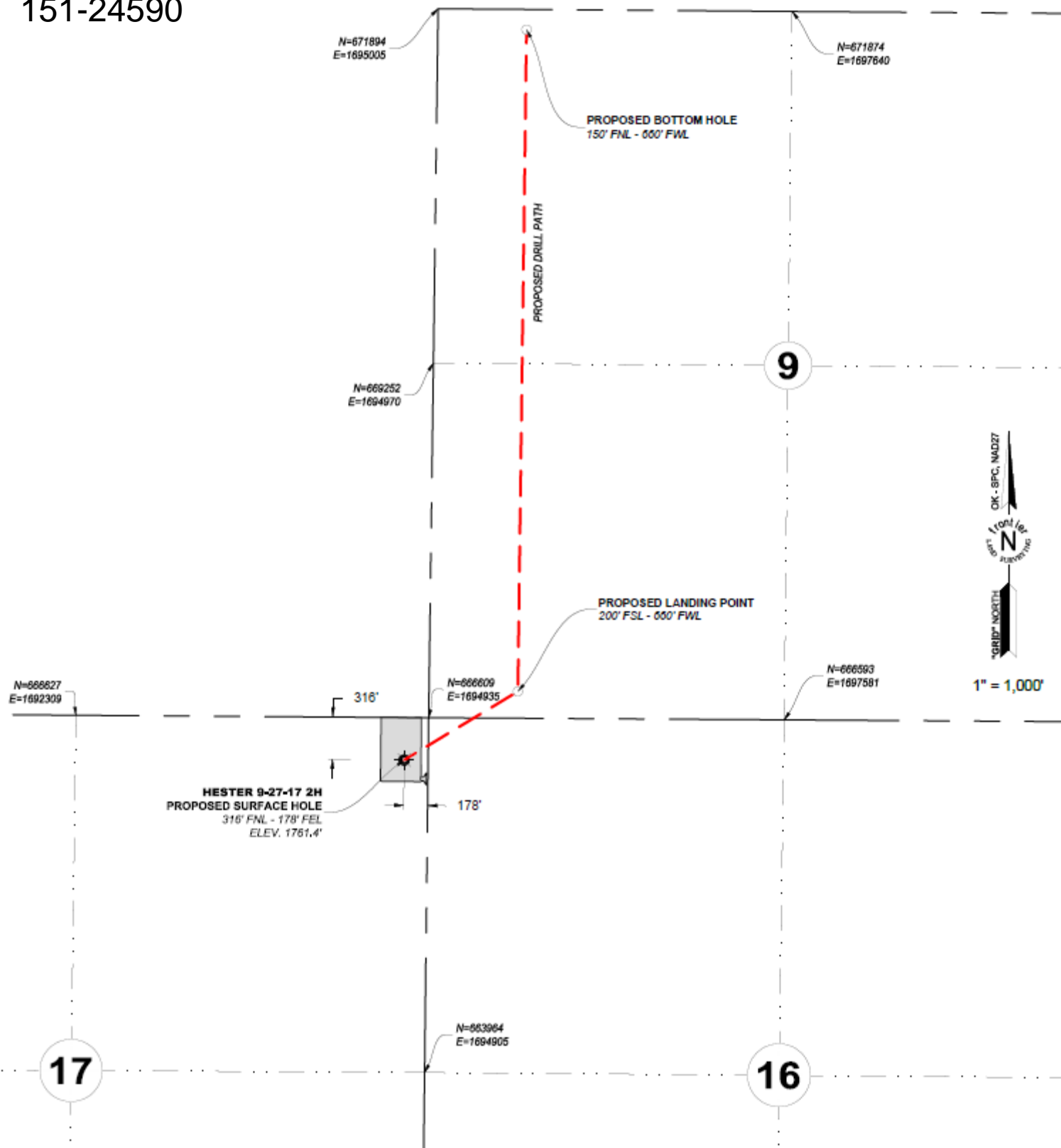
Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District Office of the Conservation Division as to when Surface Casing will be run.

151 24590 HESTER 9-27-17 2H

OPERATOR: **MACH RESOURCES**  
LEASE NAME: **HESTER 9-27-17** WELL NO.: **2H**  
SECTION: **17** TOWNSHIP: **27N** RANGE: **17W**  
SURFACE HOLE FOOTAGE: **316' FNL - 178' FEL (SEC. 17)**  
GROUND ELEVATION AT SURFACE HOLE: **1761.4'**  
LANDING POINT FOOTAGE: **200' FSL - 660' FWL (SEC. 9)**  
BOTTOM HOLE FOOTAGE: **150' FNL - 660' FWL (SEC. 9)**  
SECTION: **9** TOWNSHIP: **27N** RANGE: **17W**

COUNTY: **WOODS** STATE: **OKLAHOMA**  
ACCEPTABLE DRILL SITE? **YES**  
TERRAIN: **LOCATION FELL IN A FIELD, SLOPING FROM SOUTH TO NORTH**  
ACCESSIBILITY TO LOCATION: **FROM EAST LINE**  
DIRECTIONS: **FROM THE INTERSECTION OF HWY 64 AND N2230 RD, HEAD NORTH ON N2230 RD 1.2 MILES THEN WEST INTO.**

151-24590



### HESTER 9-27-17 2H

LANDING POINT, BOTTOM HOLE, AND DRILL PATH  
INFORMATION PROVIDED BY OPERATOR LISTED.

**PROPOSED SURFACE HOLE**  
316' FNL - 178' FEL  
LAT: 36.82586270  
LONG: -99.04285952  
N= 666294.5  
E= 1694753.1

**PROPOSED LANDING POINT**  
200' FSL - 660' FWL  
LAT: 36.82728982  
LONG: -99.03998910  
N= 666805.1  
E= 1695598.8

**PROPOSED BOTTOM HOLE**  
150' FNL - 660' FWL  
LAT: 36.84084191  
LONG: -99.03994882  
N= 671738.8  
E= 1695663.4

*J. Wyatt Bishop*  
J. WYATT BISHOP  
PROFESSIONAL LAND SURVEYOR # 1649



- PLEASE NOTE THAT THIS LOCATION WAS STAKED ON THE GROUND UNDER THE SUPERVISION OF A LICENSED PROFESSIONAL LAND SURVEYOR. THE ACCURACY OF THIS EXHIBIT IS NOT GUARANTEED. PLEASE CONTACT FRONTIER LAND SURVEYING PROMPTLY IF ANY INCONSISTENCY IS DETERMINED. GPS DATA IS OBSERVED FROM RTK-GPS.
- X AND Y DATA SHOWN HEREON FOR SECTION CORNERS MAY NOT HAVE BEEN SURVEYED ON THE GROUND, AND FURTHERMORE THIS EXHIBIT DOES NOT REPRESENT A TRUE BOUNDARY SURVEY.
- QUARTER SECTION DISTANCE MAY BE ASSUMED FROM A GOVERNMENT SURVEY PLAT OR ASSUMED AT A PROPORTIONATE DISTANCE FROM OPPOSING SECTION CORNERS, OR OCCUPATION THEREOF, AND MAY NOT HAVE BEEN MEASURED ON THE GROUND.
- ALL VALUES LISTED ARE IN **NAD27** HORIZONTALLY AND **NAVD83** VERTICALLY.
- THE LOCATION OF EXISTING WELLS SHOWN ARE APPROXIMATE FROM OKLAHOMA CORPORATION COMMISSION DATA PROVIDED BY OTHERS.

**frontier**  
LAND SURVEYING  
405, 285, 0433  
800 W. 18th STREET EDMOND, OK 73017  
FLS Survey.com  
CA #7232 EXP. 6/30/20

**ALLEGiant**  
Land Services & Consulting  
311 N. MAIN STREET SEILING, OK 73083  
880.922.3336

### HESTER 9-27-17 2H

SHL: 316' FNL - 178' FEL (SEC.17)  
BHL: 150' FNL - 660' FWL (SEC.9)

LOCATED IN THE NE/4 OF SECTION 17  
T27N - R17W I.M.  
WOODS COUNTY, OKLAHOMA

**MACH**  
RESOURCES

14201 WIRELESS WAY OKC, OK 73134		405, 282, 8100	
DWG DATE: 11/4/19		DRAWN BY: JFG	
		CHK'D BY: JWB	
STAKED DATE: 11/1/19		FLS #: 19-0179	
		SHEET #: 1 OF 5	
REV.	DWN.	DESCRIPTION	DATE
R1	JMB	REVISED WH TO 2H	11/25/19