

API NUMBER: 073 27040

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

Approval Date: 08/02/2023

Expiration Date: 02/02/2025

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 07 Township: 18N Range: 7W County: KINGFISHER

SPOT LOCATION: SE SW SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 125 2427

Lease Name: WYATT EARP 18-07-07 Well No: 20H Well will be 125 feet from nearest unit or lease boundary.

Operator Name: BCE-MACH III LLC Telephone: 4052528100 OTC/OCC Number: 24485 0

BCE-MACH III LLC

OKLAHOMA CITY, OK 73134-2521

STACIE SIMUNEK, AS TRUSTEE OF THE WALTERSCHEIDT
IRREVOCABLE TRUST DATED THE 11TH DAY OF MARCH, 2009

12635 EAST 670 ROAD

HENNESSEY OK 73742

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

| Name | Code | Depth |
|----------|---------|-------|
| 1 OSWEGO | 404OSWG | 6572 |

Spacing Orders: 653944

Location Exception Orders: 736014

Increased Density Orders: No Density

Pending CD Numbers: 20231844

Working interest owners' notified: DNA

Special Orders: No Special

Total Depth: 12080

Ground Elevation: 1118

Surface Casing: 550

Depth to base of Treatable Water-Bearing FM: 300

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 23-39174

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: 7 Township: 18N Range: 7W Meridian: IM

Total Length: 5000

County: KINGFISHER

Measured Total Depth: 12080

Spot Location of End Point: E2 NE NW NE

True Vertical Depth: 6730

Feet From: NORTH 1/4 Section Line: 330

End Point Location from
Lease, Unit, or Property Line: 330

Feet From: EAST 1/4 Section Line: 1560

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>[8/1/2023 - GE7] - 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 FRACTURING OPERATIONS. FORM 6000NHF SHALL BE FOUND HERE: HTTPS://OKLAHOMA.GOV/OCC/DIVISIONS/OIL-GAS/OGCD-FORMS; 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> |
| LOCATION EXCEPTION - 736014 (CD2023-001843) | <p>[8/1/2023 - GB7] - (I.O.) 7-18N-7W X653944 OSWG COMPL INT NCT 330' FNL, NCT 330' FSL, NCT 1320' FEL BCE MACH III LLC 07/26/2023</p> |
| PENDING - CD2023-001844 | <p>[8/1/2023 - GB7] - (I.O.) 7-18N-7W X653944 OSWG 1 WELL BCE MACH III LLC REC 07/10/2023 (BARRETT)</p> |
| SPACING - 653944 | <p>[8/1/2023 - GB7] - (640)(HOR) 7-18N-7W EST OSWG, OTHER COMPL INT NCT 660' FB (COEXIST SP# 49980 OSWG)</p> |