

API NUMBER: 073 27039

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: 10 Township: 18N Range: 6W County: KINGFISHER

SPOT LOCATION: SW SE SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST  
SECTION LINES: 285 1803

Lease Name: STATES 18-06-10 Well No: 20H Well will be 285 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

KEITH W STATES

23529 EAST 680 ROAD

DOVER OK 73734

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

Name	Code	Depth
1 OSWEGO	404OSWG	6240

Spacing Orders: 658732

Location Exception Orders: 735491

Increased Density Orders: 735420

Pending CD Numbers: No Pending

Working interest owners' notified: YES

Special Orders: No Special

Total Depth: 11734

Ground Elevation: 1176

Surface Casing: 420

Depth to base of Treatable Water-Bearing FM: 170

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: 23-39173

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: 10 Township: 18N Range: 6W Meridian: IM  
County: KINGFISHER

Total Length: 5000

Measured Total Depth: 11734

Spot Location of End Point: E2 NE NW NE

True Vertical Depth: 6384

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: 1600

### Additional Surface Owner(s)

### Address

### City, State, Zip

KEITH W STATES

23529 EAST 680 ROAD

DOVER, OK 73734

### 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: <a href="https://oklahoma.gov/occ/divisions/oil-gas/ogcd-forms">HTTPS://OKLAHOMA.GOV/OCC/DIVISIONS/OIL-GAS/OGCD-FORMS</a>; 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 <a href="http://FRACFOCUS.ORG">FRACFOCUS.ORG</a></p>
INCREASED DENSITY - 735420	<p>[8/1/2023 - GB7] - 10-18N-6W  X658732 OSWG  2 WELLS  BCE MACH III LLC  06/29/2023</p>
LOCATION EXCEPTION - 735491 (CD2023-001688)	<p>[8/1/2023 - GB7] - (I.O.) 10-18N-6W  X658732 OSWG  COMPL INT NCT 330' FNL, NCT 330' FSL, NCT 1320' FEL  BCE MACH III LLC  07/03/2023</p>
SPACING - 658732	<p>[8/1/2023 - GB7] - (640)(HOR) 10-18N-6W  EXT 646163 OSWG  EXT OTHERS  COMPL INT NCT 660' FB  (COEXIST WITH SP# 51905 OSWG, OTHERS)</p>