

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

API NUMBER: 151 24594

Approval Date: 02/26/2020

Expiration Date: 08/26/2021

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 12 Township: 27N Range: 17W County: WOODS

SPOT LOCATION: SW SW SE SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 142 1017

Lease Name: BATES 12-27-17 Well No: 1H Well will be 142 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

ELVIN R. BATES JR., LAND AND CATTLE COMPANY LLC
27885 JEFFERSON RD.
ALVA OK 73717

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

Name	Code	Depth
1 MISSISSIPPI LIME	351MSSL	5650

Spacing Orders: 200368

Location Exception Orders: 709072

Increased Density Orders: No Density Orders

Pending CD Numbers: No Pending

Special Orders: No Special Orders

Total Depth: 10760

Ground Elevation: 1836

Surface Casing: 744

Depth to base of Treatable Water-Bearing FM: 630

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: 20-37249
H. 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: 8000 Average: 5000

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

HORIZONTAL HOLE 1

Section: 12 Township: 27N Range: 17W

Total Length: 4540

County: WOODS

Measured Total Depth: 10760

Spot Location of End Point: N2 N2 NW NE

True Vertical Depth: 5830

Feet From: NORTH 1/4 Section Line: 150

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

Feet From: EAST 1/4 Section Line: 1980

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>2/19/2020 - G71 - OCC 165:10-3-10 REQUIRES:</p> <p>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;</p> <p>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; AND,</p> <p>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</p>
LOCATION EXCEPTION - 709072 (202000245)	<p>2/26/2020 - GC2 - (I.O.) 12-27N-17W X200368 MSSLM COMPL. INT. NCT 150' FSL, NCT 150' FNL, NCT 1,320' FEL BCE-MACH LLC 2-24-2020</p>
SPACING - 200368	<p>2/26/2020 - GC2 - (640) 12-27N-17W EXT OTHERS EXT 88231/188899 MSSLM EST OTHER</p>

OPERATOR: **MACH RESOURCES**

LEASE NAME: **BATES 12-27-17** WELL NO.: **1H**

SECTION: **12** TOWNSHIP: **27N** RANGE: **17W**

SURFACE HOLE FOOTAGE: **142' FSL - 1017' FEL**

GROUND ELEVATION AT SURFACE HOLE: **1836.3'**

LANDING POINT FOOTAGE: **600' FSL - 1980' FEL**

BOTTOM HOLE FOOTAGE: **150' FNL - 1980' FEL**

SECTION: **12** TOWNSHIP: **27N** RANGE: **17W**

COUNTY: **WOODS**

STATE: **OKLAHOMA**

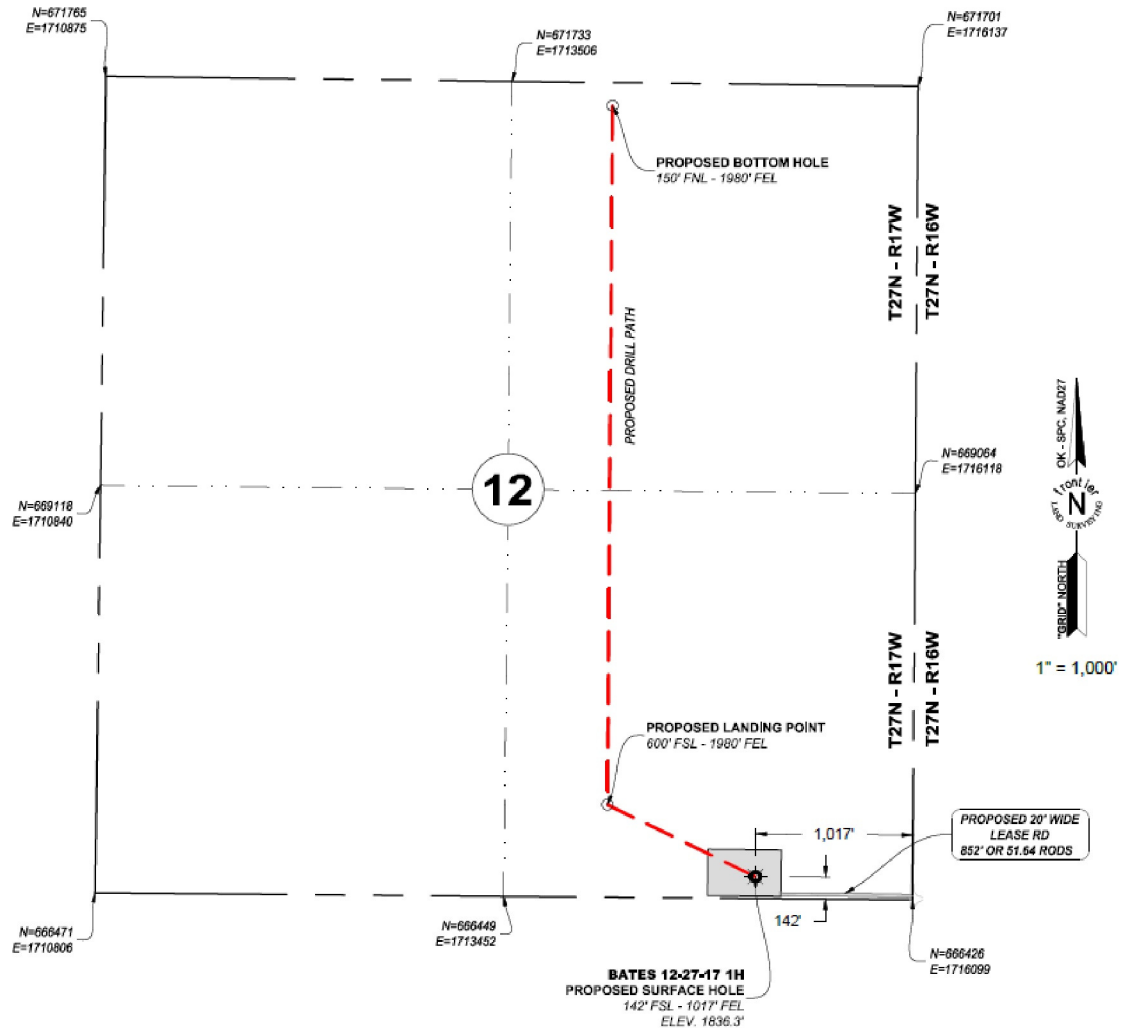
ACCEPTABLE DRILL SITE? **YES**

TERRAIN: **LOCATION IN A FIELD, SLOPING EAST TO WEST**

ACCESSIBILITY TO LOCATION: **FROM EAST LINE**

DIRECTIONS: **FROM THE INTERSECTION OF HWY 64 AND N2270 RD HEAD NORTH FOR 2.0 MILES TOWARDS E0130 RD TURN WEST INTO PROPOSED LEASE RD.**

API: 151-24594



BATES 12-27-17 1H

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

PROPOSED SURFACE HOLE
142' FSL - 1017' FEL
LAT: 36.82721817
LONG: -98.97341803
N= 666577.0
E= 1715083.0

PROPOSED LANDING POINT
600' FSL - 1980' FEL
LAT: 36.82847194
LONG: -98.97671144
N= 667043.1
E= 1714123.6

PROPOSED BOTTOM HOLE
150' FNL - 1980' FEL
LAT: 36.84091893
LONG: -98.97675538
N= 671574.8
E= 1714156.4

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 **NAD83** HORIZONTALLY AND **NAD83** VERTICALLY.
- THE LOCATION OF EXISTING WELLS SHOWN ARE APPROXIMATE FROM OKLAHOMA CORPORATION COMMISSION DATA PROVIDED BY OTHERS.

frontier
LAND SURVEYING
405. 285. 0431
100 W. 18th STREET EDMOND, OK 73012
FLS-Survey.com
CA #1232 EXP. 6/30/20

ALLEGiant
Land Services & Consulting
311 N. MAIN STREET SEILING, OK 73063
580. 922. 0358

BATES 12-27-17 1H

SHL: 142' FSL - 1017' FEL
BHL: 150' FNL - 1980' FEL

LOCATED IN THE SE/4 OF SECTION 12
27N - 17W I.M.
WOODS COUNTY, OKLAHOMA

MACH
RESOURCES

14201 WIRELESS WAY OKC, OK 73134 405. 252. 8100

DWG DATE: 10/16/19 DRAWN BY: JPG CHK'D BY: JWB

STAKED DATE: 10/15/19 FLS# 19-0171-12 SHEET # 1 OF 5

REV. DWN. DESCRIPTION DATE

R1 JWB REVISED BHL AND LP TO 1980' FEL 2/6/20