

API NUMBER: 073 26967

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

Approval Date: 01/17/2023

Expiration Date: 07/17/2024

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 29 Township: 17N Range: 5W County: KINGFISHER

SPOT LOCATION: SW SW SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 274 2421

Lease Name: LINCOLN SOUTHEAST OSWEGO UNIT Well No: 89 4HO Well will be 274 feet from nearest unit or lease boundary.

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

BCE-MACH III LLC
14201 WIRELESS WAY STE 300
OKLAHOMA CITY, OK 73134-2521

SCOTT ALAN AND DEBORAH ANN SANDERS WILCOX TRUST
25999 E 760 RD
KINGFISHER OK 73750

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

Name	Code	Depth
1 OSWEGO	404OSWG	6153

Spacing Orders: 52793

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 11653 Ground Elevation: 988

Surface Casing: 430

Depth to base of Treatable Water-Bearing FM: 180

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: 23-38814
H. (Other) CLOSED SYSTEM = STEEL PITS (REQUIRED - CIMARRON RIVER)

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: 29 Township: 17N Range: 5W Meridian: IM Total Length: 5000
County: KINGFISHER Measured Total Depth: 11653
Spot Location of End Point: NE NW NW NE True Vertical Depth: 6303
Feet From: NORTH 1/4 Section Line: 1 End Point Location from
Feet From: EAST 1/4 Section Line: 2032 Lease, Unit, or Property Line: 1

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>[1/12/2023 - GC2] - 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>
SPACING - 52793	<p>[1/13/2023 - GB1] - (UNIT) 29-17N-5W EST LINCOLN SOUTHEAST OSWEGO UNIT FOR OSWG</p>

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.