

API NUMBER: 151 24613

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

Approval Date: 11/30/2022
Expiration Date: 05/30/2024

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 02 Township: 27N Range: 15W County: WOODS

SPOT LOCATION: ☐ NE ☐ NE ☐ NW ☐ NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 200 1245

Lease Name: ANN SHIRLEY 35-28-15 Well No: 1H Well will be 200 feet from nearest unit or lease boundary.
Operator Name: BCE-MACH LLC Telephone: 4052528100 OTC/OCC Number: 24174 0

BCE-MACH LLC
14201 WIRELESS WAY STE 300
OKLAHOMA CITY, OK 73134-2512

JOSEPH H. SHIRLEY AND SYLVIA A. SHIRLEY FAMILY REVOCABLE TRUST
37470 JOHNSTON ROAD
ALVA OK 73717

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

Name	Code	Depth
1 MISSISSIPPI LIME	351MSSLM	5416

Spacing Orders: 97274

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: 202204599
202204598

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 10820 Ground Elevation: 1540

Surface Casing: 700

Depth to base of Treatable Water-Bearing FM: 450

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: 22-38727

H. (Other)

CLOSED SYSTEM = STEEL PITS (REQUIRED - TURKEY CREEK AND BODY OF WATER)

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 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: 35 Township: 28N Range: 15W Meridian: IM
County: WOODS

Total Length: 5000

Measured Total Depth: 10820

Spot Location of End Point: N2 N2 NE NW

True Vertical Depth: 5470

Feet From: NORTH 1/4 Section Line: 150

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

Feet From: WEST 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>[11/22/2022 - 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>
PENDING - CD2022-004598	<p>[11/22/2022 - GB7] - 35-28N-15W X97274 MSSLM COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 1320' FWL NO OP NAMED REC 11/29/2022 (PRESLAR)</p>
PENDING - CD2022-004599	<p>[11/22/2022 - GB7] - 35-28N-15W X97274 MSSLM 1 WELL BCE-MACH LLC REC 11/29/2022 (PRESLAR)</p>
SPACING - 97274	<p>[11/22/2022 - GB7] - (640) 35-28N-15W EXT OTHERS EST OTHERS EST MSSLM</p>
SURFACE CASING	<p>[11/22/2022 - GC2] - NO DEEP SURFACE CASING - LOST CIRCULATION IN 1-27N-15W</p>

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151 24613 ANN SHIRLEY 35-28-15 1H