

API NUMBER: 073 26923

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

Approval Date: 09/02/2022

Expiration Date: 03/02/2024

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 22 Township: 18N Range: 5W County: KINGFISHER

SPOT LOCATION: ☐ NE ☐ SE ☐ SW ☐ SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 383 1316

Lease Name: BAXTER TRUST 27-18-5 Well No: 1H Well will be 383 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

BAXTER FAMILY REVOCABLE TRUST, DATED AUGUST 9, 1996
PO BOX 872
EDMOND OK 73083

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

Name	Code	Depth
1 MISSISSIPPIAN (LESS CHESTER)	359MSNLC	6410

Spacing Orders: 717438

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: 20223101

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 12100

Ground Elevation: 1125

Surface Casing: 300

Depth to base of Treatable Water-Bearing FM: 190

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: 22-38517

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: 27 Township: 18N Range: 5W Meridian: IM
County: KINGFISHER

Total Length: 4900

Measured Total Depth: 12100

Spot Location of End Point: SW SE SE SW

True Vertical Depth: 6844

Feet From: SOUTH 1/4 Section Line: 165

End Point Location from
Lease, Unit, or Property Line: 165

Feet From: WEST 1/4 Section Line: 2175

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>[8/24/2022 - 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 HYDRAULIC FRACTURING OPERATIONS. FORM 6000NHF SHALL BE USED AND IS FOUND AT THIS LINK: OCCEWEB.COM/OG/OGFORMS.HTML; 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 CD - 20223101	<p>[9/2/2022 - G56] - (I.O.) 27-18N-5W X717438 MSNLC X165:10-3-28(C)(2)(B) MSNLC MAY BE CLOSER THAN 600' TO LINCOLN NORTH UNIT 11-2 WELL COMPL INT NCT 165' FNL, NCT 165' FSL, NCT 1320' FWL NO OP NAMED REC 8/23/2022 (HUBER)</p>
SPACING - 717438	<p>[9/2/2022 - G56] - (640)(HOR) 27-18N-5W EXT 653156 MSNLC POE TO BHL NLT 660' FB (COEXIST WITH SP # 44960 NW4, SE4, W2 SW4, # 119269 MSSLM E2 SW4, NE4)</p>