

API NUMBER: 073 26936

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

Approval Date: 10/10/2022
Expiration Date: 04/10/2024

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 02 Township: 16N Range: 6W County: KINGFISHER

SPOT LOCATION: SW SW SE SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 236 1475

Lease Name: YOUNG 11-16-6 Well No: 2HO Well will be 236 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

JANET E. YOUNG 1997 REVOCABLE LOVING TRUST
18656 E. 730 RD
DOVER OK 73734

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

Name	Code	Depth
1 OSWEGO	404OSWG	6506

Spacing Orders: 727239

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: 202203752
202203754

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 11975 Ground Elevation: 1092

Surface Casing: 410

Depth to base of Treatable Water-Bearing FM: 160

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: 22-38601
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 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: SALT PLAINS

HORIZONTAL HOLE 1

Section: 11 Township: 16N Range: 6W Meridian: IM Total Length: 11625
County: KINGFISHER Measured Total Depth: 11975
Spot Location of End Point: C SE SE SW True Vertical Depth: 6625
Feet From: SOUTH 1/4 Section Line: 330 End Point Location from
Feet From: WEST 1/4 Section Line: 2310 Lease, Unit, or Property Line: 330

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>[9/22/2022 - 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 HYDRAULIC FRACTURING OPERATIONS. FORM 6000NHF SHALL BE USED AND IS FOUND AT THIS LINK: OCCWEB.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 - 2022-003752	<p>[9/23/2022 - GC2] - 11-16N-6W X727239 OSWG 1 WELL NO OP NAMED REC. 10/3/2022 (P. PORTER)</p>
PENDING CD - 2022-003754	<p>[9/23/2022 - GC2] - (I.O.) 11-16N-6W X727239 OSWG COMPL. INT. NCT 330' FNL, NCT 330' FSL, NCT 1650' FWL NO OP NAMED REC 10/3/2022 (P. PORTER)</p>
SPACING - 727239	<p>[9/23/2022 - GC2] - (640)(HOR) 11-16N-6W VAC 60995 OSWG W2 11-16N-6W EXT 654841 OSWG, OTHER COMPL. INT. NLT 660' FB (COEXIST EXISTING NON-HORIZONTAL SPACING UNITS; SUPERSEDE NON-DEVELOPED NON-HORIZONTAL SPACING UNITS)</p>