

API NUMBER: 073 27028

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

Approval Date: 06/28/2023  
Expiration Date: 12/28/2024

Horizontal Hole Oil & Gas

**PERMIT TO DRILL**

WELL LOCATION: Section: 12 Township: 18N Range: 6W County: KINGFISHER

SPOT LOCATION: ☐ NW ☐ NE ☐ NE ☐ NW FEET FROM QUARTER: FROM NORTH FROM WEST  
SECTION LINES: 158 2247

Lease Name: HILL 18-06-01 Well No: 20H Well will be 158 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

LEON PATRICK HILL  
1711 EAST 650 ROAD  
HENNESSEY OK 73742

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

Name	Code	Depth
1 OSWEGO	404OSWG	6110

Spacing Orders: 676037

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: 202301686  
202301683

Working interest owners' notified: DNA

Special Orders: No Special

Total Depth: 11613 Ground Elevation: 1162

Surface Casing: 450

Depth to base of Treatable Water-Bearing FM: 200

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: 23-39131  
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: 1 Township: 18N Range: 6W Meridian: IM Total Length: 5000  
County: KINGFISHER Measured Total Depth: 11613  
Spot Location of End Point: W2 NE NW NE True Vertical Depth: 6263  
Feet From: NORTH 1/4 Section Line: 330 End Point Location from  
Feet From: EAST 1/4 Section Line: 1720 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>[6/28/2023 - GE7] - 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: <a href="https://oklahoma.gov/occ/divisions/oil-gas/ogcd-forms">HTTPS://OKLAHOMA.GOV/OCC/DIVISIONS/OIL-GAS/OGCD-FORMS</a>; 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 <a href="http://FRACFOCUS.ORG">FRACFOCUS.ORG</a></p>
PENDING CD - 202301683	<p>[6/28/2023 - G56] - (I.O.) 1-18N-6W  X676037 OSWG  COMPL. INT. NCT 330' FNL, NCT 330' FSL, NCT 1320' FEL  NO OP. NAMED  REC 6/12/2023 (BEESE)</p>
PENDING CD - 202301686	<p>[6/28/2023 - G56] - 1-18N-6W  X676037 OSWG  2 WELLS  NO OP NAMED  REC 6/12/2023 (BEESE)</p>
SPACING - 676037	<p>[6/28/2023 - G56] - (640)(HOR) 1-18N-6W  EXT 662676 OSWG  POE TO BHL NLT 660' FB  (COEXIST WITH SP. ORDER 43828/45316 OSWG)</p>