

API NUMBER: 073 27002

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

Approval Date: 04/25/2023
Expiration Date: 10/25/2024

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 19 Township: 18N Range: 6W County: KINGFISHER

SPOT LOCATION: ☐ NW ☐ NW ☐ NW ☐ NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 162 2424

Lease Name: GORRELL 18-18-6 Well No: 1HO Well will be 162 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

THE JOHN B. GORRELL AND DENA R. GORRELL LIVING TRUST
DATED JULY 18,2011
6000 NORTH STATE ST
OKLAHOMA CITY OK 73122

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

Name	Code	Depth
1 OSWEGO	404OSWG	6364

Spacing Orders: No Spacing

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: 202300958
202300959

Working interest owners' notified: DNA

Special Orders: No Special

Total Depth: 11863 Ground Elevation: 1118

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: 23-39005
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? Y
Wellhead Protection Area? Y
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: 18 Township: 18N Range: 6W Meridian: IM Total Length: 5000
County: KINGFISHER Measured Total Depth: 11863
Spot Location of End Point: C NW NW NE True Vertical Depth: 6513
Feet From: NORTH 1/4 Section Line: 330 End Point Location from
Feet From: EAST 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>[4/17/2023 - 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>
PENDING CD - 202300958	<p>[4/24/2023 - G56] - (320)(HOR) E2 18-18N-6W VAC 55335 OSWG NE4, W2 SE4 EST OSWG COMPL INT NCT 660' FB (COEXIST WITH SP # 55335 E2 SE4) REC 3/27/2023 (THOMAS)</p>
PENDING CD - 202300959	<p>[4/25/2023 - G56] - (E.O.) E2 18-18N-6W X202300958 OSWG COMPL INT NCT 330' FNL, NCT 330' FSL, NCT 330' FWL NO OP NAMED REC 3/27/2023 (THOMAS)</p>
PUBLIC WATER SUPPLY	[4/17/2023 - GC2] - GEARY - 5 WELLS SE/4 13-18N-6W AND S2 18-18N-6W
SURFACE CASING	[4/17/2023 - GC2] - NO DEEP SURFACE CASING ALLOWED DUE TO BEING INSIDE PUBLIC WATER SUPPLY BOUNDARIES

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073 27002 GORRELL 18-18-6 1HO