

API NUMBER: 151 24595

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

Approval Date: 03/03/2020

Expiration Date: 09/03/2021

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 09 Township: 27N Range: 17W County: WOODS

SPOT LOCATION: ☐ SW ☐ SW ☐ SE ☐ SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 186 1118

Lease Name: BATES 16-27-17 Well No: 1H Well will be 186 feet from nearest unit or lease boundary.

Operator Name: BCE-MACH LLC Telephone: 4052528151 OTC/OCC Number: 24174 0

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

ELVIN R. BATES JR., LAND AND CATTLE COMPANY LLC
27885 JEFFERSON RD.
ALVA OK 73717

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

Name	Code	Depth
1 MISSISSIPPI LIME	351MSSL	5685

Spacing Orders: 69461
69571

Location Exception Orders: 708406

Increased Density Orders: No Density Orders

Pending CD Numbers: No Pending

Special Orders: No Special Orders

Total Depth: 11088

Ground Elevation: 1786

Surface Casing: 730

Depth to base of Treatable Water-Bearing FM: 680

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: 20-37269
H. 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: 25000 Average: 8000

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: DOG CREEK

HORIZONTAL HOLE 1

Section: 16 Township: 27N Range: 17W

County: WOODS

Spot Location of End Point: S2 S2 SW SE

Feet From: SOUTH 1/4 Section Line: 150

Feet From: EAST 1/4 Section Line: 1980

Total Length: 4951

Measured Total Depth: 11088

True Vertical Depth: 5760

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

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>2/28/2020 - G71 - OCC 165:10-3-10 REQUIRES:</p> <p>1) PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE;</p> <p>2) WITH NOTICE ALSO GIVEN 48 HOURS IN ADVANCE OF HYDRAULIC FRACTURING ALL WELLS TO BOTH THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES, USING THE "FRAC NOTICE FORM" FOUND AT THE FOLLOWING LINK: OCCWEB.COM/OG/OGFORMS.HTML; AND,</p> <p>3) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS TO BE REPORTED TO FRACFOCUS WITHIN 60 DAYS AFTER THE CONCLUSION THE HYDRAULIC FRACTURING OPERATIONS, USING THE FOLLOWING LINK: FRACFOCUS.ORG</p>
LOCATION EXCEPTION - 708406 (202000019)	<p>3/3/2020 - G56 - (I.O.) 16-27N-17W X69461/69571 MSSLM COMPL INT NCT 150' FSL, NCT 150' FNL, NCT 1320' FEL BCE-MACH LLC 2/3/2020</p>
SPACING - 69461	<p>3/3/2020 - G56 - (640) 16-27N-17W EXT 64457/68061 MSSLM, OTHERS</p>
SPACING - 69571	<p>3/3/2020 - G56 - NPT "TO TRULY REFLECT EVIDENCE AT TIME OF HEARING"</p>

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151 24595 BATES 16-27-17 1H

OPERATOR: **MACH RESOURCES**

LEASE NAME: **BATES 16-27-17**

SECTION: **9**

SURFACE HOLE FOOTAGE: **186' FSL - 1118' FEL (SECTION 9)**

GROUND ELEVATION AT SURFACE HOLE: **1785.9'**

LANDING POINT FOOTAGE: **200' FNL - 1980' FEL (SECTION 16)**

BOTTOM HOLE FOOTAGE: **150' FSL - 1980' FEL (SECTION 16)**

SECTION: **16**

WELL NO.: **1H**

TOWNSHIP: **27N**

RANGE: **17W**

COUNTY: **WOODS**

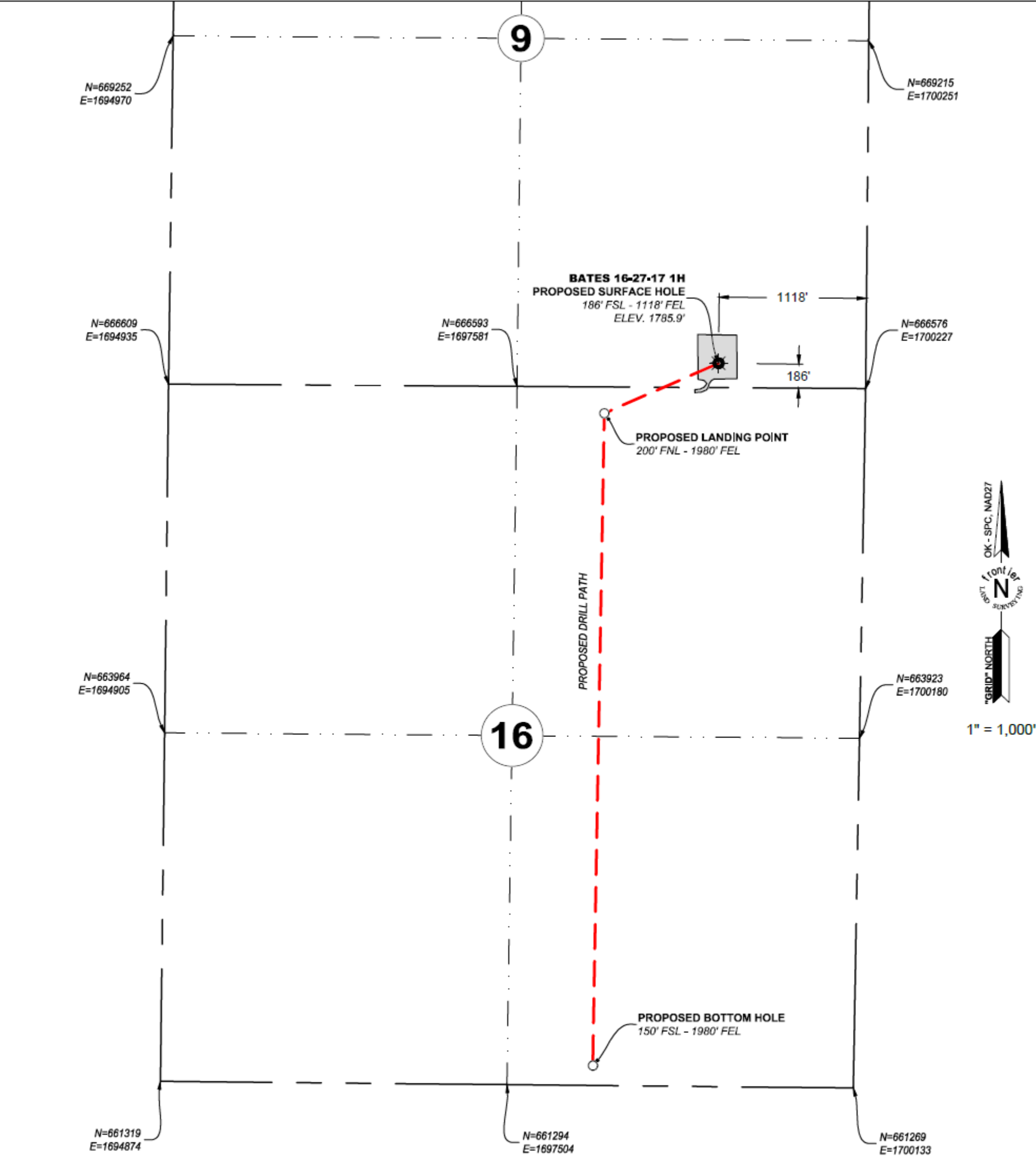
STATE: **OKLAHOMA**

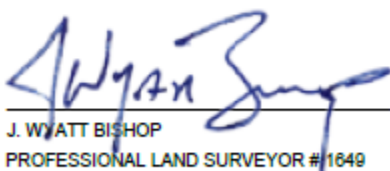
ACCEPTABLE DRILL SITE? **YES**


TERRAIN: **LOCATION IS ON EXISTING PAD, BATES 9-27-17 1H**

ACCESSIBILITY TO LOCATION: **UTILIZE EXISTING**


DIRECTIONS: **FROM THE INTERSECTION OF HWY 64 AND N2230 RD. HEAD NORTH 1.2 MILES ALONG N2230 RD TO LEASE RD. THEN HEAD EAST ALONG LEASE RD FOR 0.8 MILES.**



BATES 16-27-17 1H			LANDING POINT, BOTTOM HOLE, AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED.
PROPOSED SURFACE HOLE 186' FSL - 1118' FEL LAT: 36.82729310 LONG: -99.02798990 N= 666768.9 E= 1699110.8	PROPOSED LANDING POINT 200' FNL - 1980' FEL LAT: 36.82622427 LONG: -99.03094035 N= 666388.9 E= 1698243.1	PROPOSED BOTTOM HOLE 150' FSL - 1980' FEL LAT: 36.81262446 LONG: -99.03105897 N= 661438.1 E= 1698155.8	 J. WYATT BISHOP PROFESSIONAL LAND SURVEYOR #1649
<p>PLEASE NOTE THAT THIS LOCATION WAS STAKED ON THE GROUND UNDER THE SUPERVISION OF A LICENSED PROFESSIONAL LAND SURVEYOR. THE ACCURACY OF THIS EXHIBIT IS NOT GUARANTEED. PLEASE CONTACT FRONTIER LAND SURVEYING PROMPTLY IF ANY INCONSISTENCY IS DETERMINED. GPS DATA IS OBSERVED FROM RTK-GPS.</p> <p>X AND Y DATA SHOWN HEREON FOR SECTION CORNERS MAY <u>NOT</u> HAVE BEEN SURVEYED ON THE GROUND, AND FURTHERMORE THIS EXHIBIT <u>DOES NOT</u> REPRESENT A TRUE BOUNDARY SURVEY.</p> <p>QUARTER SECTION DISTANCE MAY BE ASSUMED FROM A GOVERNMENT SURVEY PLAT OR ASSUMED AT A PROPORTIONATE DISTANCE FROM OPPOSING SECTION CORNERS, OR OCCUPATION THEREOF, AND MAY NOT HAVE BEEN MEASURED ON THE GROUND.</p> <p>ALL VALUES LISTED ARE IN <u>NAD27</u> HORIZONTALLY AND <u>NAVD88</u> VERTICALLY.</p> <p>THE LOCATION OF EXISTING WELLS SHOWN ARE APPROXIMATE FROM OKLAHOMA CORPORATION COMMISSION DATA PROVIDED BY OTHERS.</p>			



405.285.0433
00 W, 18th STREET EDMOND, OK 73046



311 N, MAIN STREET SEILING, OK 73083

BATES 16-27-17 1H
SHL: 186' FSL - 1118' FEL (SECTION 9)
BHL: 150' FSL - 1980' FEL (SECTION 16)

LOCATED IN THE SE/4 OF SECTION 9
T27N - R17W I.M.
WOODS COUNTY, OKLAHOMA

MACH
RESOURCES

14201 WIRELESS WAY OKC, OK 73134
405.252.8100

DWG DATE: 12/27/19	DRAWN BY: MDM	CHK'D BY: JWb
STAKED DATE: 12/28/19	FLS #: 19-0222	SHEET #: 1 OF 5
REV.	DWN.	DESCRIPTION