

API NUMBER: 073 26935

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

Approval Date: 10/05/2022

Expiration Date: 04/05/2024

Horizontal Hole

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 17 Township: 15N Range: 5W County: KINGFISHER

SPOT LOCATION: ☐ SE ☐ NE ☐ NW ☐ NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 398 1520

Lease Name: KINNEY TRUST 8-15-5

Well No: 2MH

Well will be 398 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

BONNIE RAE KINNEY TRUST DATED NOVEMBER 9, 2013
4105 DRAWBRIDGE LANE
NORMAN OK 73072

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

Name	Code	Depth
1 MISSISSIPPIAN (LESS CHESTER)	359MSNLC	7005

Spacing Orders: 657197
666128

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: 20223518
20223519

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 12356

Ground Elevation: 1119

Surface Casing: 280

Depth to base of Treatable Water-Bearing FM: 230

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: 22-38547

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: 8 Township: 15N Range: 5W Meridian: IM
County: KINGFISHER

Total Length: 4945

Measured Total Depth: 12356

Spot Location of End Point: N2 NE NE NE

True Vertical Depth: 7220

Feet From: NORTH 1/4 Section Line: 165

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

Feet From: EAST 1/4 Section 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>[9/7/2022 - 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 - CD2022-003519	<p>[9/23/2022 - GB7] - (I.O.) 8-15N-5W X657197** MSNLC X165:10-3-28(C)(2)(B) MAY BE CLOSER THAN 600' TO TERZIE 1 (API# 073-30257) COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 330' FEL NO OP. NAMED REC 09/19/2022 (HUBER) ****S/B 657197/666128</p>
PENDING - CD2022003518	<p>[10/05/2022 - GB7] - (I.O.) 8-15N-5W X657197** MSNLC 1 WELL NO OP. NAMED REC. 10/03/2022 (PORTER) **S/B 657197/666128</p>
SPACING - 657197	<p>[9/23/2022 - GB7] - (640)(HOR) 8-15N-5W VAC OTHER EXT 648404 MSNLC, OTHER EST OTHER COMPL. INT. NLT 660' FB (COEXIST EXISTING NON-HORIZONTAL SPACING)</p>
SPACING - 666128	<p>[9/23/2022 - GB7] - CONFIRMS SPACING ORDER 657197</p>