API NUMBER: 073 26974

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

Approval Date: 02/07/2023
Expiration Date: 08/07/2024

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 12 Township: 17N Range: 6W County: KINGFISHER

SPOT LOCATION: SE SE SE SE FEET FROM QUARTER: FROM **SOUTH** FROM **EAST**

SECTION LINES: **176** **244**

Lease Name: **LINCOLN SOUTHEAST OSWEGO UNIT** **Well No:** **43 5HO** **Well will be** **176** **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

BCE MACH III MIDSTREAM
14201 WIRELESS WAY
SUITE 300
OKLAHOMA CITY OK 73134

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

	Name	Code	Depth
1	OSWEGO	404OSWG	6220

Spacing Orders: 52793 Location Exception Orders: No Exceptions Increased Density Orders: No Density

Pending CD Numbers: No Pending Working interest owners' notified: *** Special Orders: No Special

Total Depth: 11725 Ground Elevation: 1099 **Surface Casing: 370** Depth to base of Treatable Water-Bearing FM: 120

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: 23-38863

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** 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: 13 Township: 17N Range: 6W Meridian: IM
County: KINGFISHER
Spot Location of End Point: SE SW SE SE
Feet From: **SOUTH** 1/4 Section Line: 165
Feet From: **EAST** 1/4 Section Line: 860

Total Length: 5000
Measured Total Depth: 11725
True Vertical Depth: 6375
End Point Location from Lease,Unit, or Property Line: 165

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	[2/3/2023 - GC2] - OCC 165:10-3-10 REQUIRES: 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; 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, 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
SPACING - 52793	[2/7/2023 - GC2] - (UNIT) 12-17N-6W EST LINCOLN SOUTHEAST OSWEGO UNIT FOR THE OSWG

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.