

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

API NUMBER: 003 23353 A

Approval Date: 12/19/2018
Expiration Date: 06/19/2020

Horizontal Hole Oil & Gas

Amend reason: ADD EXCEPTION TO 600' RULE, UPDATE ORDERS

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 13 Twp: 26N Rge: 11W

County: ALFALFA

SPOT LOCATION: ☐ NE ☐ NE ☐ NW ☐ NW

FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 255 1133

Lease Name: STATE 13-26-11

Well No: 2H

Well will be 255 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

COMMISSIONERS OF THE LAND OFFICE
204 N ROBINSON AVE #900
OKLAHOMA CITY OK 73102

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	5395	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 617694

Location Exception Orders: 699868
698790

Increased Density Orders: 690496

Pending CD Numbers:

Special Orders:

Total Depth: 10389

Ground Elevation: 1167

Surface Casing: 520

Depth to base of Treatable Water-Bearing FM: 470

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-35865
H. CLOSED SYSTEM = STEEL PITS PER OPERATOR REQUEST

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.

HORIZONTAL HOLE 1

Sec 13 Twp 26N Rge 11W County ALFALFA

Spot Location of End Point: S2 S2 SE SW

Feet From: SOUTH 1/4 Section Line: 150

Feet From: WEST 1/4 Section Line: 1980

Depth of Deviation: 4959

Radius of Turn: 473

Direction: 171

Total Length: 4576

Measured Total Depth: 10389

True Vertical Depth: 5500

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

Notes:

Category

Description

EXCEPTION TO RULE - 699868

9/11/2019 - G56 - (I.O.) 13-26N-11W
X165:10-3-28(C)(2)(B) MSSP MAY BE CLOSER THAN 600' TO PACKARD 13-26-11 1H WELL
BCE-MACH LLC
7/29/2019

HYDRAULIC FRACTURING

12/13/2018 - G71 - OCC 165:10-3-10 REQUIRES:

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;

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,

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

INCREASED DENSITY - 690496

12/19/2018 - G58 - 13-26N-11W
X617694 MSSP
2 WELLS
BCE-MACH LLC
1/28/2019

LOCATION EXCEPTION - 698790

12/19/2018 - G58 - (F.O.) 13-26N-11W
X617694 MSSP
COMPL INT (FIRST PERF) 542' FNL, 1581' FWL
COMPL INT (LAST PERF) 167' FSL, 1988' FWL***
BCE-MACH LLC
7/5/2019

*** S/B 155' FSL, 1988' FWL; WILL BE CORRECTED VIA NUNC PRO TUNC PER ATTORNEY FOR OPERATOR

SPACING - 617694

12/19/2018 - G58 - (640) 13-26N-11W
VAC 157256 MSSCH, MSSLM, OTHERS
EXT OTHERS
EXT 610814 MSSP, OTHERS

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.

003 23353 STATE 13-26-11 2H