

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

API NUMBER: 073 26901

Approval Date: 08/11/2022
Expiration Date: 02/11/2024

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 35 Township: 18N Range: 6W County: KINGFISHER

SPOT LOCATION: NW NW NE NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 222 1582

Lease Name: CALDWELL TRUST 35-18N-6W Well No: 2H Well will be 222 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 ANNA CALDWELL REVOCABLE TRUST
11325 NORTH 2890 ROAD
DOVER OK 73734

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

| Name | Code | Depth |
|--------------------------------|----------|-------|
| 1 MISSISSIPPIAN (LESS CHESTER) | 359MSNLC | 6858 |

Spacing Orders: 717476

Location Exception Orders: 727484

Increased Density Orders: 727483

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 12300

Ground Elevation: 1140

Surface Casing: 300

Depth to base of Treatable Water-Bearing FM: 160

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: 22-38463
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: 35 Township: 18N Range: 6W Meridian: IM
County: KINGFISHER

Total Length: 4620

Measured Total Depth: 12300

Spot Location of End Point: SW SE SE SW

True Vertical Depth: 7304

Feet From: SOUTH 1/4 Section Line: 165

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

Feet From: WEST 1/4 Section Line: 2010

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>[7/22/2022 - 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 6000NH SHALL BE USED AND IS FOUND AT THIS LINK: OCCWEB.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> |
| INCREASED DENSITY - 727483 | <p>[8/11/2022 - GB1] - (E.O.) 35-18N-6W X717476 MSNLC 1 WELL BCE-MACH III LLC 8/5/2022</p> |
| LOCATION EXCEPTION - 727484 | <p>[8/11/2022 - GB1] - (E.O.) 35-18N-6W X717476 MSNLC X165:10-3-28(C)(2)(B) MSNLC, MAY BE CLOSER THAN 600' TO LNU 29-3 COMPL INT NCT 165' FNL, NCT 165' FSL, NCT 1320' FWL BCE-MACH III LLC 8/5/2022</p> |
| SPACING- 717476 | <p>[8/11/2022 - GB1] - (640)(HOR) 35-18N-6W EXT 692485 MSNLC POE TO BHL NLT 660' FB (COEXIST WITH SE4, NW4, W2 NE4 SP 53420/62761 MSSLM, SW4 SP 600453 MSSLM, E2 NE4 SP 119269/VAR/450744 MSSLM)</p> |

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