

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

API NUMBER: 151 24538

Approval Date: 08/14/2018
Expiration Date: 02/14/2019

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 08 Twp: 27N Rge: 14W County: WOODS
SPOT LOCATION: NE NE NW NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 220 1425

Lease Name: **MACKEY 8-27-14** Well No: **2H** Well will be **220** 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

MACKEY LAND & CATTLE LLC
P.O. BOX 852
ALVA OK 73717

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

Name	Depth	Name	Depth
1 MISSISSIPPI LIME	5530	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 154482

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201805355
201805356

Special Orders:

Total Depth: 10326

Ground Elevation: 1440

Surface Casing: 400

Depth to base of Treatable Water-Bearing FM: 300

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 25000 Average: 5000

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: FLOWERPOT

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 18-35125

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 SIX 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 08 Twp 27N Rge 14W 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

Depth of Deviation: 5067

Radius of Turn: 477

Direction: 187

Total Length: 4510

Measured Total Depth: 10326

True Vertical Depth: 5530

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

Notes:

Category	Description
HYDRAULIC FRACTURING	8/14/2018 - 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: OCCEWEB.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
PENDING CD - 201805355	8/14/2018 - G57 - 8-27N-14W X154482 MSSLM 1 WELL NO OP. NAMED REC 8-6-2018 (FOREMAN)
PENDING CD - 201805356	8/14/2018 - G57 - (I.O.) 8-27N-14W X154482 MSSLM COMPL. INT. NCT 150' FNL, NCT 150' FSL, NCT 1320' FEL NO OP. NAMED REC 8-6-2018 (FOREMAN)
SPACING - 154482	8/14/2018 - G57 - (640) 8-27N-14W EXT 134572 MSSLM, OTHERS EST OTHER

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

13800 WIRELESS WAY, OKLA. CITY, OKLA. 73134 * LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219
 Certificate of Authorization No. 1293 LS

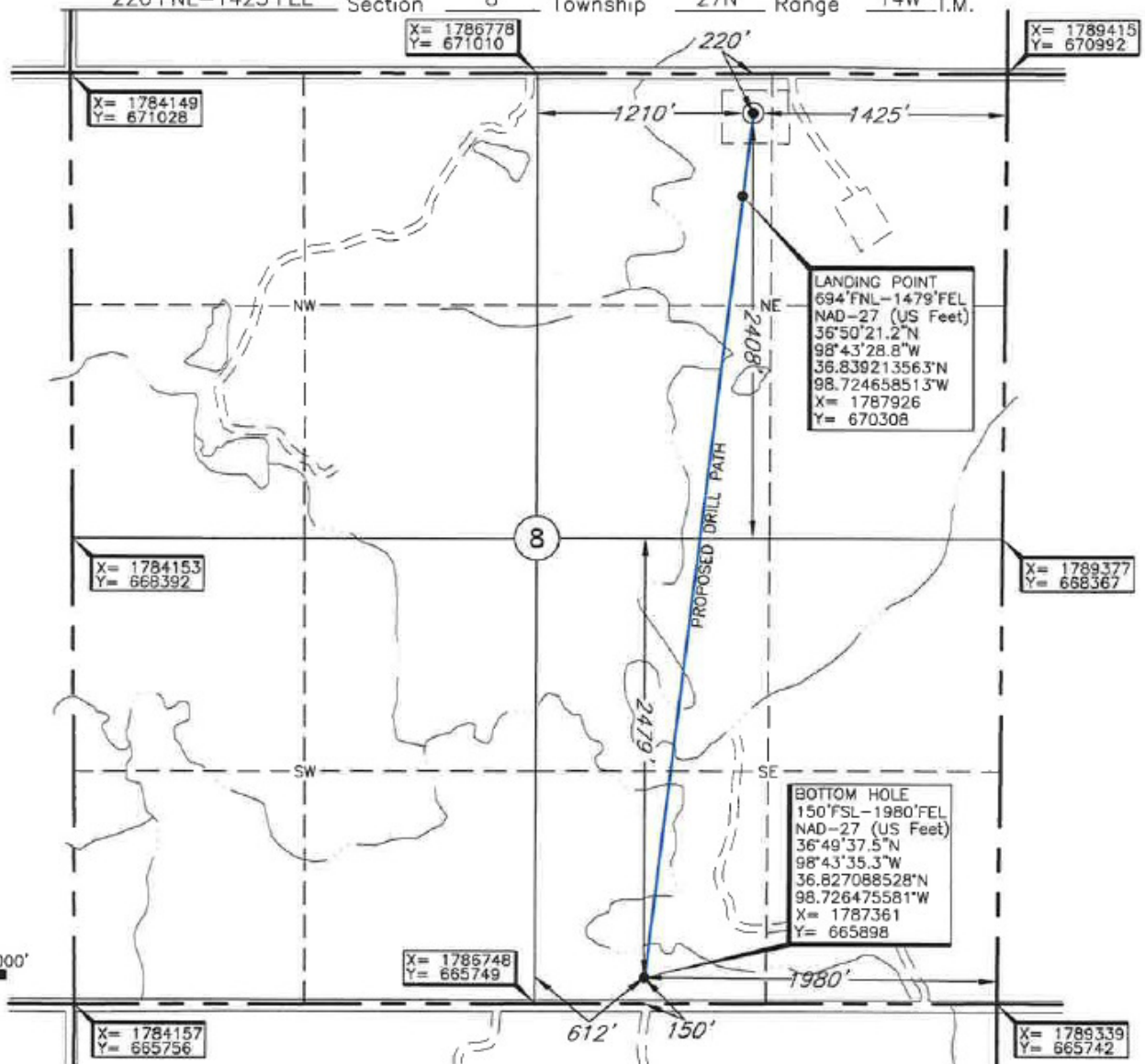
API:151 24538

WOODS

County, Oklahoma

220'FNL-1425'FEL Section 8 Township 27N Range 14W I.M.

NOTE:
 The information shown herein is for
 construction purposes ONLY.



LANDING POINT
 694'FNL-1479'FEL
 NAD-27 (US Feet)
 36°50'21.2"N
 98°43'28.8"W
 36.839213563N
 98.724658513W
 X= 1787926
 Y= 670308

BOTTOM HOLE
 150'FSL-1980'FEL
 NAD-27 (US Feet)
 36°49'37.5"N
 98°43'35.3"W
 36.827088528N
 98.726475581W
 X= 1787361
 Y= 665898

LANDING POINT, BOTTOM HOLE, AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED.

Operator: MACH RESOURCES

Lease Name: MACKAY 8-27-14

Well No.: 2H

ELEVATION:
1440' Gr. at Stake

Topography & Vegetation Loc. fell in sloping grass pasture; ±400' East of N-S drain and small creek.

Good Drill Site? Yes Reference Stakes or Alternate Location Stakes Set None

Best Accessibility to Location From North off county road.

Distance & Direction from Hwy Jct or Town From Alva, OK, go West ±5 miles, then go North ±3 miles, then East ±2 miles to the NE Cor. of Sec. 8-T27N-R14W.

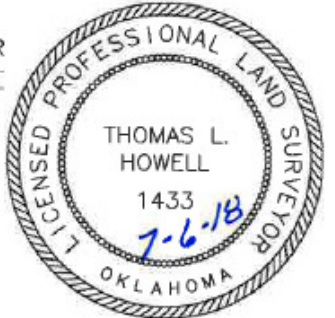
DATUM: NAD-27
 LAT: 36°50'25.9"N
 LONG: 98°43'28.1"W
 LAT: 36.840514287N
 LONG: 98.724463551W
 STATE PLANE
 COORDINATES: (US Feet)
 ZONE: OK NORTH
 X: 1787986
 Y: 670781

Date of Drawing: July 5, 2018
 Invoice # 297061 Date Staked: July 2, 2018

CERTIFICATE:

I, Thomas L. Howell an Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein

Thomas L. Howell
 Oklahoma Lic. No. 1433



This information was gathered with a GPS receiver with ±1 foot horiz./vert. accuracy