

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

API NUMBER: 003 23329

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

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 20 Twp: 25N Rge: 12W County: ALFALFA
SPOT LOCATION: NW NW NE NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 175 1520

Lease Name: SHARP 20-25-12 Well No: 2H Well will be 175 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

MICK SHARP
P.O. BOX 548
BUCKLIN KS 37834-

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

| Name | Depth | Name | Depth |
|--------------------|-------|------|-------|
| 1 MISSISSIPPI LIME | 6222 | 6 | |
| 2 | | 7 | |
| 3 | | 8 | |
| 4 | | 9 | |
| 5 | | 10 | |

Spacing Orders: 43678

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201805206
201805207

Special Orders:

Total Depth: 10786

Ground Elevation: 1377

Surface Casing: 470

Depth to base of Treatable Water-Bearing FM: 400

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: 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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 18-34863

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 20 Twp 25N Rge 12W 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: 5538

Radius of Turn: 477

Direction: 175

Total Length: 4498

Measured Total Depth: 10786

True Vertical Depth: 6222

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

Notes:

Category

Description

HYDRAULIC FRACTURING

8/9/2018 - 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 - 201805206

8/14/2018 - G57 - 20-25N-12W
X43678 MSSLM
1 WELL
NO OP. NAMED
REC 8-6-2018 (FOREMAN)

PENDING CD - 201805207

8/14/2018 - G57 - (I.O.) 20-25N-12W
X43678 MSSLM
COMPL. INT. NCT 150' FNL, NCT 150' FSL, NCT 1320' FWL
NO OP. NAMED
REC 8-6-2018 (FOREMAN)

SPACING - 43678

8/14/2018 - G57 - (640) 20-25N-12W
EST MSSLM

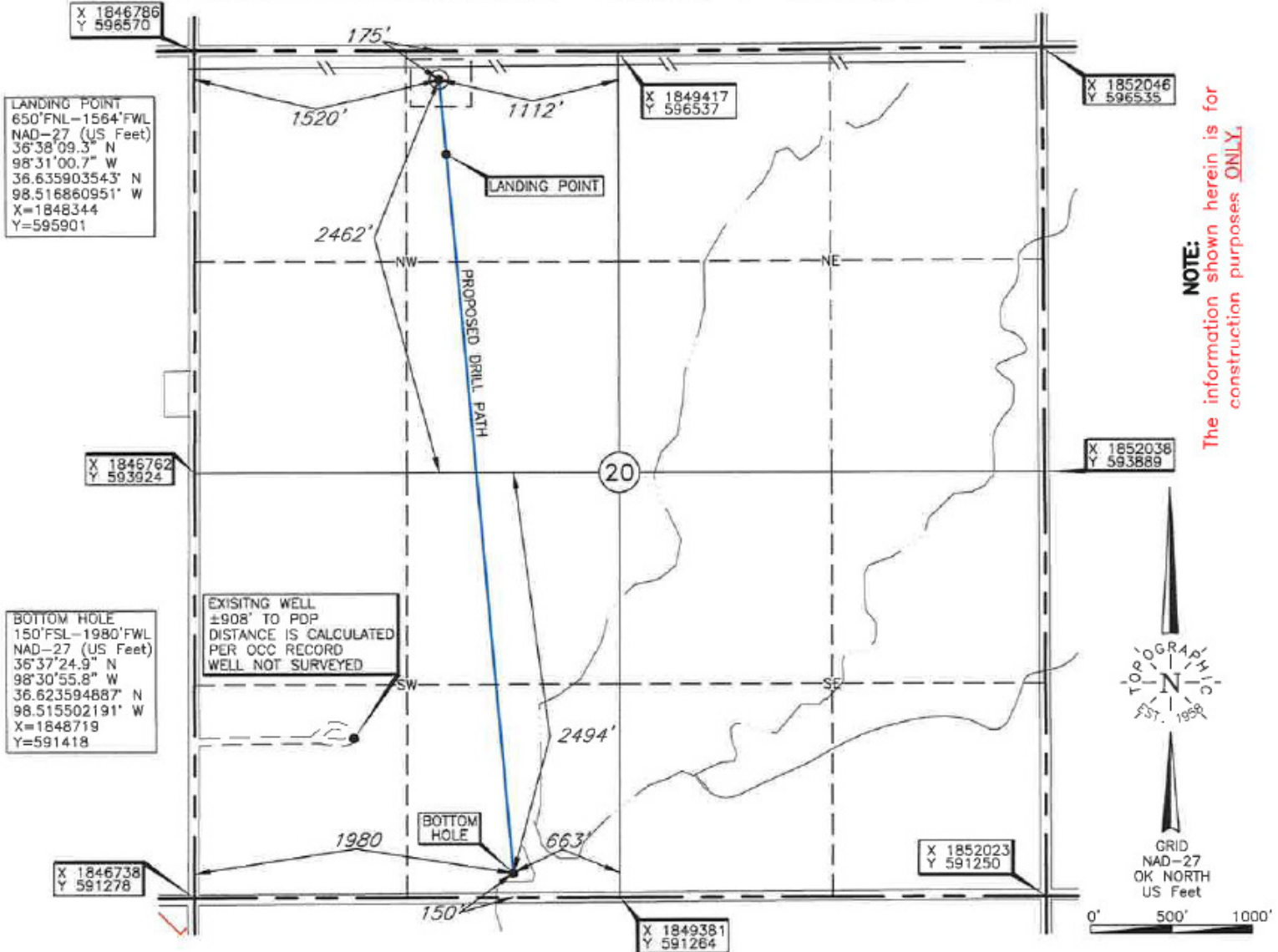
TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

13800 Wireless Way, Okla. City, OK. 73134 (405) 843-4847 * OUT OF STATE (800) 654-3219 API:003 23329
 Certificate of Authorization No. 1293 LS

ALFALFA

County, Oklahoma

175'FNL - 1520'FWL Section 20 Township 25N Range 12W I.M.



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

Operator: MACH RESOURCES

Lease Name: SHARP 20-25-12

Topography & Vegetation Loc. fell in plowed wheat field

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 Dacoma, OK, go ± 2.0 mi. East, then ±1.0 mi. South to the NW Cor. of Sec. 20-T25N-R12W

ELEVATION:
1377' Gr. at Stake

This information was gathered with a GPS receiver with ±1 foot Horiz./Vert. accuracy.

DATUM: NAD-27
 LAT: 36°38'14.0"N
 LONG: 98°31'01.2"W
 LAT: 36.637208609' N
 LONG: 98.517005044' W
 STATE PLANE
 COORDINATES: (US Feet)
 ZONE: OK NORTH
 X: 1848304
 Y: 596376

Invoice # 296606 Date of Drawing: Jun. 21, 2018
 Date Staked: Jun. 20, 2018 AC

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

