

6. SOURCES OF CONSTRUCTION MATERIALS.

- A. Any caliche required for construction of the drilling pad will be obtained from a pit located off the wellsite.

7. METHODS OF HANDLING WASTE DISPOSAL.

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. Water produced during operations will be either placed in the reserve pits and allowed to evaporate or collected in tanks until hauled to an approved disposal system or a separate disposal application will be submitted to the BLM for appropriate approval.
- D. Oil produced during operations will be stored in tanks until sold.
- E. Human waste will be disposed of per current standards.
- F. Trash, waste paper, garbage, and junk will be collected in trash trailers and disposed of in an approved waste facility such as a land fill. The trash trailers will contain all of the material to prevent scattering by the wind.
- G. All trash and debris will be removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES

Approximately 4200' of flowline will be laid from the battery located in Sec. 14 east to the east side of "Gray Oak Road." Approximately 1000' of flowline will be laid from the battery located in the NW/4 of Sec. 13, southwest to "Gray Oak Road." The flowlines will be tied together and will follow "Gray Oak Road" for approximately 3000' to the proposed well. All lines will be laid in a minimum 36" deep trench and will be covered and reseeded per BLM specs. The exact routing of the flowlines along with survey plat will follow upon approval of APD to re-enter the well.

9. WELLSITE LAYOUT

- A. Exhibit G shows the dimensions of the well pad and reserve pits, and the location of major rig components.
- B. The ground surface of the location is situated on a relatively flat area. The location will be repaired by leveling the necessary area and covering the area with at least six inches of compacted caliche.
- C. The reserve pits will be plastic lined.
- D. A 400' X 400' work area which will contain the pad and pit area has been staked and flagged.