

battery located, as shown on Exhibit "B", at well No. 1. The flow line will be 3" SDR-7 polyethylene pipe laid on the ground, and will extend from the well east alongside the new access road to near well No. 3 and then follow the route of the flow line serving well No. 3 to the tank battery. Anticipated flow line pressure is 60 psi.

5. LOCATION AND TYPE OF WATER SUPPLY:

A. It is not planned that a water well will be drilled. Water necessary for drilling operations will be purchased and trucked to the well site, or will be moved to the well site by temporary pipeline laid on the ground alongside existing and proposed roads.

6. SOURCE OF CONSTRUCTION MATERIALS:

A. Caliche needed for construction work will be taken, if present, from a pit opened on site within the 400'x 400' work area. Otherwise, caliche will be taken from the existing pit on Federal land in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 12, T.22 S., R.31 E., Eddy County, New Mexico. Caliche will be trucked to the well site over existing and proposed roads.

7. METHODS OF HANDLING WASTE MATERIAL:

A. Drill cuttings will be disposed of in the drilling pits.

B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.

C. Water produced during tests will be disposed of in the drilling pits

D. Oil produced during tests will be stored in test tanks until sold.

E. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind. Location of the trash pit is shown on Exhibit "C".

F. All trash and debris will be buried or removed from the well site within thirty days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES:

A. None necessary.