

7. Methods for Handling Waste Disposal

Waste Disposal: Well cutting will be disposed in reserve pit. Barrel trash containers to be in accessible locations within drill site area during drilling and completion procedures. All detrimental waste will be hauled away, burned or buried with a minimum cover of 24" of dirt. See Exhibit "D" for location of pits. If well is productive, maintenance waste will be placed in special trash cans and hauled away periodically. Any produced water will be collected in tanks until hauled to an approved disposal system, or separate disposal applications will be submitted to the survey for appropriate approval.

8. Ancillary Facilities

None

9. Well Site Layout

Exhibit "D" shows the relative location and dimensions of the well pad, mud pit, reserve pit, etc. The reserve pit will be lined with plastic. The pad and pits are staked.

10. Plans for Restoration of Surface

Pits will be backfilled and leveled as soon as practical to original condition. Commencement of rehabilitation operations will immediately follow removal of drilling and completion equipment from location and rehabilitation of the surface is planned to be completed with 45 days from commencement.

11. Other Information

- A. Terrain: "A" through "C" refer to the attached archaeological report
- B. Soil:
- C. Vegetation:
- D. Surface Use: suitable for grazing
- E. Ponds and Streams: none within one mile
- F. Water Wells: one water well approximately 0.5 mile East of AXI Apache N No. 16A
- G. Residences & Buildings: none within one mile
- H. Arroyos, Canyons, Etc.: see attached topographic map, Exhibit "B"
- I. Well Sign: sign identifying and locating well will be maintained
- J. Open Pits: All pits containing mud or other liquids will be fenced.
- K. Archaeological Resources: none observed

12. Operator's Representative

Field personnel who can be contacted concerning compliance of this Surface Use Plan are as follows:

B. E. Anderson
Petroleum Center Building
Room 215
501 Airport Drive
Farmington, New Mexico
Phone: (505) 327-9557

L. P. Thompson or J. R. Kemp
1001 North Turner
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Phone: (505) 393-4141

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