

- (5) Other - Drill site, which is in rolling semi-arid desert country is in a low environmental risk area. The total effect of drilling and producing this and other wells in this area would be minimal.

g. Distances to:

- (1) Ponds and Streams - There are no surface waters within 1/2 mile.
- (2) Water Wells - There is a water well 500' South of site.
- (3) Residences and Buildings - There are no houses or buildings within 1/2 mile.
- (4) Arroyos, Canyons, etc. - See Exhibit "A".

h. Well Sign - Sign identifying and locating well will be maintained at drill site with the spudding of the well.

i. Open Pits - All pits containing mud or other liquids will be fenced.

4. ROADS

a. Existing roads - All existing roads within one mile of the location are shown on Exhibit "A"

b. Planned roads - Plan to construct a 14' wide road that will not exceed 200' in length.

c. Fences, Gates and Cattleguards - None

5. TANK BATTERY - This is expected to be a dry gas well, therefore, a tank battery will not be required. If condensate is produced, the battery will be located on a Northwest extension of the well mat.

6. LEASE PIPELINES

a. Existing - Not furnished by the Operator, to be connected by the Gas Company of New Mexico.

b. Planned - If production is encountered, all lease lines are to be constructed on a well mat.

7. WASTE DISPOSAL - Well cuttings 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" dirt. See Exhibit "C" for location of pits. If well is productive, maintenance waste will be placed in special trash cans and hauled away periodically. No produced water is anticipated.