

3. Location of Existing Wells

Existing wells within a one-mile radius are depicted by Exhibit V.

4. Location of Existing and/or Proposed Facilities

If the well proves to be commercial, the necessary production facilities, gas separation-process equipment and tank battery, will be installed on the drilling pad.

5. Location and Type of Water Supply

It is planned to drill the proposed well with fresh water. The water will be obtained from commercial sources and will be trucked to the well site over the existing roads and the proposed access road shown on Exhibits II and III.

6. Source of Construction Materials

Caliche for surfacing the road and the wellsite pad will be obtained by the dirt contractor from the Federal Government or private sources. Top soil from the location will be stockpiled near the location for future rehabilitation use. No surface materials will be disturbed except for those necessary for the actual grading and leveling of the drillsite and access road.

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. All pits will be fenced with normal fencing material to prevent livestock from entering the area.
- D. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted to the USGS for approval.
- E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- F. 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.
- G. All trash and debris will be buried or removed from the wellsite within 30 days after finishing and/or completion operations.