

width (20' right-of-way width, as shown in Exhibit IV), with drainage on both sides of the road. One turnout will be constructed at the midpoint in the length of the road. No fences are involved and no cattleguards or culverts will be necessary.

- C. The center line of the proposed new road has been staked and flagged, and is clearly visible.

3. LOCATION OF EXISTING WELLS

- A. All wells within a one-mile radius of the proposed well are indicated in Exhibit V.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

- A. The nearest activity to this lease is the Fuller Federal Com #1, located at 1980' FSL and 1980' FWL of Section 10, T16S, R27E. This well is drilling and should be completed prior to drilling of this well.
- B. No drilling activities have taken place on this lease. If the proposed well proves to be commercial, the necessary production facilities and battery will be installed on the drilling pad. Gas sales are not dedicated, however, the successful pipeline company would construct the necessary pipelines leading from the location.

5. LOCATION AND TYPE OF WATER SUPPLY

- A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from privately owned or commercial sources and will be hauled to the location by truck over the existing and proposed new access roads shown in Exhibits II and III.

6. SOURCE OF CONSTRUCTION MATERIALS

- A. 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. With the exception of the 6" compacted caliche top coat, all construction materials will be of local origin. Caliche required for construction will be obtained from an existing pit located on federally owned surface at Diamond Mound in Section 12, T16S, R27E which has been cleared for archeological purposes.

7. METHODS OF HANDLING WASTE DISPOSAL

- A. Drill cuttings will be disposed of in the reserve pits, which will be plastic lined.
- B. Drilling fluid will be allowed to evaporate in the reserve pits until the pits are dry.