3. LOCATION OF EXISTING WELLS

A. See Exhibit B.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES.

A. There are no existing facilities on lease.

B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive of oil, electric power from existing lines will be utilized if necessary. No power will be required if the well is productive of gas.

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 a commerical source and will be hauled to the location by truck over the existing and proposed roads on Exhibit A.

6. SOURCE OF CONSTRUCTION MATERIALS.

A. Caliche for construction of the drilling pad and the new access road, and repairs to the existing access road, will be obtained from existing quarry in the NE of the NE of Sec. 25, T17s, R27e.

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.

C. 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 appropriate approval.

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

E. Current laws and regulations pertaining to the disposal of human waste material will be contained to prevent scattering by the wind.

F. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. NCILLARY FACILITIES.

A. None required.

9. WELLSITE LAYOUT

A. Exhibit C shows the relative location and dimensions of the well pad, reserve pits, and major rig components.

B. The ground surface at the wellsite is in an area of relativly flat level ground. The pad will be covered with at least 6 inches of compacted caliche.

C. The reserve pits will be plastic lined.