

3. LOCATION OF EXISTING WELLS

The well locations within a two mile radius of the wellsite are shown on Exhibit "D". There is one producing well, two wells presently drilling and no dry holes within the radius.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

- A. Within a one mile radius there are no tank batteries, production facilities, oil gathering lines, gas gathering lines, injection lines or disposal lines.
- B. In the event that the well is productive, the necessary production facilities will be located on the drill pad. Any lines will be buried if required.

5. LOCATION AND TYPE OF WATER SUPPLY

- A. All water needed for the drilling of the well will be obtained from commercial sources and will be hauled to the location by truck over the existing and proposed roads shown in Exhibit "B".

6. SOURCE OF CONSTRUCTION MATERIAL

Any caliche required for construction of the drilling pad and the new access road will be obtained from ~~commercial sources~~ by the dirt contractor. We do not anticipate the need for any other construction materials.

*Sweet Farms, Artesia, NMCCP*

7. METHODS OF HANDLING WASTE DISPOSAL

- A. Drill cuttings will be disposed of in the reserve pits. The reserve pits will be lined if required.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. Water produced during operations will be collected in tanks or reserve pit until hauled to an approved disposal system, or separate disposal application will be submitted to the USGS for appropriate approval. Oil produced during operation will be stored in tanks until sold.
- D. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- E. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches dirt. All waste material will be contained to prevent scattering by the wind.
- F. All trash and debris will be buried or removed from the wellsite after finishing drilling and/or completion operations.