5. LOCATION AND TYPE OF WATER SUPPLY:

It is planned to drill the well with fresh water and brine water as presented in Exhibit G. All drilling fluids will be obtained from commercial sources and will be hauled to the location by truck over existing and proposed roads shown in Exhibits A & B.

6. SOURCES OF CONSTRUCTION MATERIALS:

Any caliche required for construction of the drilling pad and the access road will be obtained, with permission, from an existing pit on Federal-owned surface in Section 1, T-21-S, R-28-E.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. Drill cuttings will be disposed of in the reserve pit.

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 until hauled to an approved disposal system or a separate disposal application will be submitted to the U.S.G.S. 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 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 drilling and/or completion operations.

8. ANCILLARY FACILITIES.

None required.

9. WELLSITE LAYOUT:

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

B. The reserve pits will be plastic lined.

C. The pad and pit area has been staked and flagged.

10. PLANS FOR RESTORATION OF THE SURFACE:

A After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleared of all trash and junk to leave the wellsite in as aesthetically pleasing a condition as possible.