

- (4.) If production also consists of natural gas, a gas company may lay a gas pipeline to an existing natural gas sales line in the immediate area. Securing of all necessary R-O-W across BLM land will of course be handled through the proper BLM departments and approved prior to any construction of said line by the gas purchaser.

C. If the well is productive, rehabilitation plans are as follows:

- (1.) The reserve pit will be back-filled after the contents of the pit are dry (within 180 days after the well is completed).
- (2.) Within 90 days of completion of drilling and/or completion operations, all equipment not needed for producing operations will be removed. The location will be cleaned of all trash and junk to leave the wellsite in an asthetically pleasing condition as is reasonably possible.
- (3.) All production facilities left on location will be painted to conform with BLM painting stipulations within 180 days of completion.

5. Location and Type of Water Supply:

The well will be drilled with a combination brine and fresh water mud system as outlined in the drilling program. The water will be obtained from commercial water stations in the area and hauled to the location by transport trucks over the existing and proposed road system in Exhibit #3.

6. Source of Construction Materials:

All material required for construction of the drill pad and repair of existing roads will be obtained from the road and drill site itself. In the event the well proves productive, caliche for the roads and location will be obtained from either a private or state approved pit depending on which type of pit is closest. All roads and pad will be constructed with native material during initial drilling and completion phases. If the well proves productive, roads and location will be caliched.