5. Location and Type of Water Supply:

    The well will be re-entered with a combination brine and fresh water mud systems as outlined in the drilling program. The brine and fresh water will be obtained from commercial water stations in the area and hauled to roads shown in Exhibit #3. No water well will be drilled on the location.

6. Source of Construction Materials:

    No additional materials are necessary.

7. Methods of Handling Water Disposal:

    A. Drill cuttings not retained for evaluation purposes will be disposed into the workover pit.

    B. Drilling fluids will be contained in steel pits. The workover pit will contain any excess drilling fluid or flow from the well during drilling, cementing and completion operations. The workover pit will be an earthen pit, approximately 80' x 55' x 6' deep, fenced, and plastic-lined (5-7 mil thickness).

    C. Water produced from the well during completion may be disposed into the workover pit. After the well is permanently placed on production, produced water will be trucked to an approved disposal site.

    D. Garbage and trash produced during drilling or completion operations will be collected in a trash trailer by a contractor. All water and fluids will be disposed of into the reserve pit. Salts and other chemicals produced during drilling or testing will be disposed into the reserve pit. No toxic waste or hazardous chemicals will be produced by this operations.

    E. After the rig is moved out and the well is either completed or abandoned, all waste materials will be cleaned-up within 90 days. No adverse materials will be left on the location. The reserve pit will be completely fenced and kept closed until it has dried. When the reserve pit is dry enough to breakout and fill and as weather permits the unused portion of the well site will be leveled and reseeded as per BLM specifications. Only that part of the pad required for production facilities will be kept in use.

8. Ancillary Facilities:

    None

9. Well Site Layout:

    A. The drill pad layout is shown in Exhibit #5.