

to location by truck from Potash Mines area. All transportation of brine water by truck will be on hard surfaced roads maintained by State Highway Department and Eddy County.

6. Source of Construction Materials - An existing caliche pit is indicated by light green area of enclosed map. This pit is located in NE  $\frac{1}{4}$  of SW  $\frac{1}{4}$  of Section 29. Permission was secured from Jaime Provenco, BLM Office, Roswell, New Mexico to use material from this pit. Because of location of pit and drill site, the hard surfaced county road will be used by trucks transporting construction material to drill site.

7. Methods for Handling Waste Disposal - Enclosed drill site plat indicates location of drilling pits, reserve pit and a rubbish pit. The reserve pit will be lined with a plastic water proof material. After a sufficient time has passed to allow drilling fluids to dry, all pits will be closed and leveled. A rubbish pit adjacent to drill site will be sufficiently deep to contain all rubbish when covered and leveled. This proposed well is anticipated to be a gas producer. Should not recover any oil during tests. All water produced during tests will be transported by truck to Anadarko's Water Injection Station at our Loco Hills Water Flood Project in adjoining Section 31.

8. Ancillary Facilities - There are no camps or airstrips planned.

9. Well Site Layout - Well site has been staked and is indicated by dark green area on enclosed map. A plat of drilling site is also enclosed. Drilling site is a sandy area covered by sparse native vegetation. Caliche pad, when constructed, will be rotated one eighth of one rotation clock-wise to eliminate the removal of a very large sand hill. Type of lining for reserve pit is covered in Item No. 7.

Before and After Cross-section is shown below:

