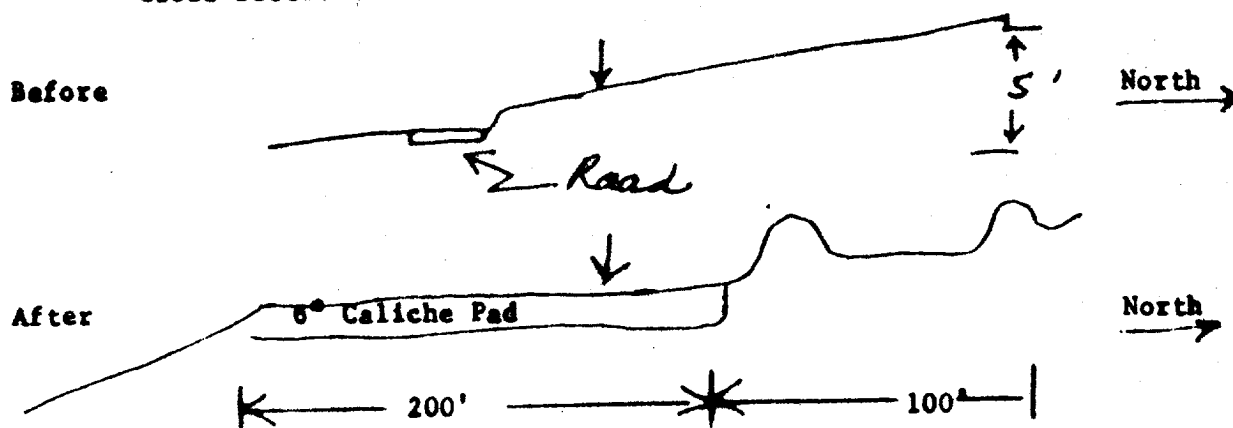


7. Methods for Handling Waste Disposal - Enclosed drill site plat (Exhibit #5) indicates location of drilling pits, reserve pit and a rubbish pit. After sufficient time has passed to allow drilling fluids to dry, all pits will be closed and leveled. The rubbish pit adjacent to drilling site will be deep enough to contain all rubbish when covered and leveled.

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

9. Well Site Layout - Well site (Exhibit #4) has been staked and is indicated by red area on enclosed map (Exhibit #1). Drilling site is a sandy area covered by sparse native vegetation. Drilling pad will be 6 inches of caliche measuring 135' East, 125' West, 50' North & 150' South. Drilling pad will blend with terrain since it will be located at the base of hill in relative flat terrain.

Cross Section - Before and After - is shown below:



10. Plans for Restoration of Surface - Commercial Well

Reshaped Topography - Rubbish will be buried upon completion of drilling operations. All future trash will be removed by the individual generating same.

Caliche Pad - Caliche drilling pad will remain intact until well is abandoned.

Road - This caliche road across location will remain intact since it is a heavily traveled road at the present time.

Timetable - The well should produce for several years.

Plans for Restoration of Surface - Plugged and Abandoned Well

Surface will be restored in accordance with all regulations in effect at the time of abandonment.

11. Other Information - Topography is generally flat, surrounded by small sand dunes.

Soil Characteristics - Unconsolidated sand.

Flora - Sparse grass and weeds.

Fauna - Rabbits, rats, mice, birds and snakes.

Other Surface Use Activities - Leased grazing land.

Surface Ownership - Federal land.

Water Wells - None.