7. Methods of Handling Waste Disposal:

   A. Drill cuttings will be disposed of in the reserve pit.
   B. Drilling fluids in the pit will be allowed to evaporate in the reserve pit until the pits are dry.
   C. Water produced during tests will be disposed of in the reserve pit. Oil produced during tests will be stored in a test tank and sold. Gas produced during tests will be flared.
   D. Salts and chemicals will be deposited in the reserve pit.
   E. A septic borehole will be constructed for the disposal of human waste.
   F. Trash, waste paper, garbage and junk will be buried in a separate trash pit (see Burn Pit on Exhibit #4) and covered with a minimum of 24 inches of soil.
   G. All trash and debris will be buried or removed from the wellsite after drilling and completion activities are finished.

8. Ancillary Facilities:

   None anticipated.

9. Wellsite Layout:

   A. Exhibit #4 shows the general location and dimensions of the Well Location, Mud Pits, Reserve Pit, Burn Pit, and the location of major rig components.

   B. No significant cuts or fills will be required. Some levelling may be necessary.

   C. The Reserve Pit will be plastic lined.

10. Surface Reclamation Plans:

   A. Upon completion of drilling and testing operations, all equipment and other materials not needed for operations will be removed. Pits will be filled and location cleared of trash and junk.

   B. Any unguarded pits containing fluids will be fenced until they are dry and filled.

   C. Any agreement between the B.L.M. and drilling contractor regarding stacking the rig on location will be the responsibility of the drilling contractor.

   D. After abandonment of the well, surface restoration will be in accordance with the requirements of the surface management agency. Pits will be filled and the location will be cleaned. The pit area and surface locations will be ripped to promote revegetation.