Hondo Drilling Company Trigg-Jennings Com. Well No. 1 Page 2

- (a) As a landmark to identify this turn-off, there is a utility pole with a transformer just after the intersection on the left hand side of the road.
- (4) Continue down this dirt road for approximately .7 of a mile. Just before a small orange pump jack, turn left on to the location of the John Trigg Federal Sivley Jennings Well No. 4. The location (pad area) lies only about 500 feet to the right at this point and is indicated by several ribbon markers.
- B. The sorface of the existing dirt access road will be blade scraped and callche fill will be added, as necessary.
- 2. Planned Access Road
 - A. The proposed new access road will originate from the existing access road, at the point indicated in paragraph IA(3) above. It will be 500 feet in length and 12 feet in width, and will be covered with the necessary thickness of compacted caliche.
- 3. Location of Existing Wells
 - A. The nearest production from the same horizon is 1 mile to the west from the proposed location. Shallow wells have been drilled within a 1 mile radius, as indicated in Exhibit C.
- 4. Location of Existing and/or Proposed Facilities
 - A. There are five production wells on this lease at the present time. Production from above 3000 feet.
 - B. In the event that the well is productive, a battery and the necessary production equipment will be installed at the East edge of the drilling pad and will be fenced. If the well is productive of oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required if the well is productive of gas.
 - C. There are no existing lease pipelines on the lease. If production is encountered, all lease lines will be constructed on the drilling pad.
- 5. Location and Type of Water Supply
 - A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from commercial sources and will be hauled to the location by truck over the existing and proposed roads shown in Exhibits A and B.