

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the reserve pit.
- B. Drilling fluids will be allowed to evaporate in the reserve pit until pits are dry.
- C. Water produced during tests will be disposed of in the reserve pits. Oil produced during tests will be stored in test tank until sold.
- D. Salts and chemicals will be deposited in the reserve pit.
- E. A septic bore hole will be constructed at the location 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 24 inches of dirt.
- G. All trash and debris will be buried or removed from the wellsite after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES:

None required

9. WELLSITE LAYOUT:

- A. Exhibit #3 shows the relative location and dimensions of the well location, mud pits, reserve pit, burn pit, and the area of location for major rig components.
- B. Levelling of the wellsite will be required. No significant cut or fills will be necessary.
- C. The reserve pit will be plastic lined.

10. PLANS FOR RECLAMATION OF THE SURFACE:

- A. After completion of drilling and testing program, all equipment and other material not needed for operations will be removed. Pits will be filled and the location cleaned of all trash and junk.
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. After abandonment of the well, surface restoration will be in accordance with the requirements of the surface management agency. Pits will be filled and location will be cleaned. The pit area, well pad and surface location will be ripped to promote re-vegetation.

11. SURFACE OWNERSHIP:

Bogle Farms  
Lewis Derrick - Foreman  
1206 Pecan  
Artesia, NM 88210  
505-746-4734 (Home)  
505-677-3168 (Office)

12. OTHER INFORMATION:

- A. Topography: Land surface is mostly flat with slight incline to the East. The ground level elevation of the wellsite is 3457'.
- B. Soil: The soil is mostly caliche rock w/some top soil.
- C. Ponds and Streams: There are no rivers, streams, lakes or ponds in the area.
- D. Archaeological Survey: An Archaeological clearance survey was conducted on April, 1989 by an investigator from N.M. Archaeological Services, Inc. in Carlsbad. The Archaeological Clearance Report can be reviewed in Exhibit #4. Any stipulations for archaeological protection will be incorporated in our surface use plan.
- E. Land Use: Grazing and hunting in season.

13. The representatives responsible for assuring compliance with the approved surface use and operations plan are as follows:

Steve Limke  
(915) 688-0494 (Office)  
(915) 684-9791 (Home)

Bob Baker  
(915) 688-0495 (Office)  
(915) 689-7711 (Home)

CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Sun Exploration and Production Company and it's contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

April 14, 1989  
Date

Steve Limke  
Steve Limke  
Drilling Supervisor

SCL/ba