

5. SOURCE OF CONSTRUCTION MATERIALS:

- A. Caliche will be taken from a BLM pit located in the NE4/NW4 of Section 12-T18S-R27E which would be BLM pit # 18271203. This pit also extends into the SE4/SW4 of Section 1-T18S-R27E which would be BLM pit # 18270114. An alternate pit which may be used in the event BLM pit # 18271203 contains unsuitable material would be a BLM pit located in the SW4/NE4 of Section 1-T18S-R27E which would be BLM pit # 18270107.

6. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the drilling pits.
- B. Drilling fluids will be allowed to evaporate in the drilling pits until pits are dry.
- C. Water produced during tests will be disposed of in the drilling pits. Oil produced during tests will be stored in test tanks until sold.
- D. Current laws and regulations pertaining to the disposal of human water will be complied with.
- E. All trash, junk and other waste material will be contained to prevent scattering and will be removed and deposited in an approved sanitary landfill.
- F. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

7. ANCILLIARY FACILITIES:

- A. None required.

8. WELLSITE LAYOUT:

- A. Exhibit "C" shows the relative location and dimensions of the well pad, mud pits, reserve pit, trash pit and location of major rig components.
- B. The pad and pit area has been staked and flagged.

9. PLANS AND RESTORATION OF THE SURFACE

- A. After completion of drilling and/or completion operations all equipment and other material not needed for operations will be removed. Pits will be filled and location cleaned of all trash and junk to leave the wellsite in an aesthetically pleasing condition as possible.