

Surface Utilization Program

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4. LOCATION OF TANK BATTERIES AND FLOW LINES

If, upon completion, the well is a producer, the production facilities (i.e. tanks, separators, & treaters) will be located on the existing pad. See Exhibit "D" for locations of powerlines and flowlines.

5. LOCATION AND TYPE ON WATER SUPPLY

Water will be purchased locally from a private source and trucked over the access roads by a commercial hauler.

6. SOURCE OF CONSTRUCTION MATERIALS

If needed, construction materials will be obtained from the drill site's excavations or from a local source. These materials will be transported over the access route as shown on Exhibit "A".

7. METHODS FOR HANDLING WASTE DISPOSAL

- A.
 - 1. Drill cuttings will be disposed of in the reserve pit.
 - 2. Trash, waste paper, and garbage will be contained in a fenced trash trailer, fenced with mesh wire to prevent wind-scattering during storage. When the rig moves out, all trash and debris left at the site will be hauled to a licensed dump site.
 - 3. Salts/mud chemicals remaining after completion of the well will be picked up by the supplier, including broken sacks.
 - 4. Sewage from trailer houses will be hauled off by a licensed sewage disposal company, A "porta John" will be provided for the rig crews. This will be properly maintained during the drilling operations and removed upon completion of the well.
 - 5. Chemicals remaining after completion of the well will be stored in the manufacturers containers and picked up by the supplier.
- B. Remaining drilling fluids will be allowed to evaporate in the reserve pit until the pit is dry enough for backfilling. In the event drilling fluids will not evaporate in a reasonable period of time they will be transported by tank truck to a state approved disposal site.