Conservation Division U. S. Geological Survey

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No. 6 - For water supply for drilling and cementing, it is planned to purchase the water from one of the water companies in the area and truck it to the proposed location.

No. 7 - For handling waste disposal, we will dig a separate pit while making location. This pit will be large enough and deep enough to cover all waste material with two feet of cover.

No. 8 - All permanent-type structures are shown on Exhibit No. 1. The nearest dwelling house to proposed location is approximately one mile.

No. 9 - No air strip will be constructed.

No. 10 - Layout of rig, etc. will be shown on Exhibit No. 3. The location will be kept as small as possible to accomodate rig. The location will be surfaced and compacted.

No. 11 - As this is a replacement well and is considered an "inside" well, we plan to set pipe and put well on production. Other than the drilling site pad, we plan to fill and level and return as near as possible to the original contour of the land.

No. 12 - This location should create very little impact on the environment as the topography is mostly sand with very little vegetation and no large hillsides or gullies.

For any additional information, contact our District Superintendent, Mr. Carroll Bellah, home phone: (505) 396-5278; office phone: (505) 677-2233; or mobile phone: (505) 676-3385.

I hope the plats and this letter will give you sufficient information to approve this Application to Drill. If you do need additional information, feel free to call on Mr. Bellah or myself. I can be reached at (817) 332-7381 in Fort Worth, Texas.

Respectfully yours,

SHENANDOAH OIL CORPORATION

C.M. Dowing &

C. W. Downey, Jr. Operations Superintendent

CWDJr:ah Enclosures

cc: C. Bellah