

3. Location of Existing Wells:

A. The proposed well is a deep-test exploration well, with the nearest deep production being Littlefield "EM" Fed Com #1 2640' North of proposed well. A number of shallow wells are producing in the area, and Exhibit "B" shows the location of all wells within a one-mile radius of the proposed location.

4. Tank Batteries, Production Facilities and Lease Pipelines: There are no tank batteries, production facilities or lease pipelines on this Unit operated or owned by Gulf Oil Corporation. If production is encountered, the tank battery and other required producing equipment will be located on the well pad. All production lines will be constructed on the well pad, on top of the ground. Refer to Exhibit "D".

5. Water Supply: Water for drilling will be purchased from a supplier and transported by truck to the wellsite over the existing and proposed roads shown in Exhibits "A" and "B".

6. Source of Construction Materials: Caliche will be obtained from an existing pit in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 20, T-18-S, R-31-E, or NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 29, T-18-S, R-31-E and purchased from B.L.M. by the contractor. Construction material will be hauled over existing roads to the proposed new road and drillsite. Refer to Exhibit "B" for location of pit and haul roads.

7. 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 waste will be complied with.

E. Trash, waste paper, sacks, garbage and junk will be burned or buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind. Location of trash pit is shown in Exhibit "C".

F. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. Ancillary Facilities: None required.

9. Wellsite Layout:

A. Exhibit "C" shows the relative location and dimensions of the well pad, mud pits, reserve pit, trash pit, burn pit, and location of major rig components.

B. Minor levelling of the wellsite will be required. A cut of 3-5 feet on North side and a fill of 3-5 feet on South side of planned location will be necessary.