(4) LOCATION OF PROPOSED FACILITIES

Should this well be completed as a commercial producing well, new tank battery facilities will be required. These facilities will be constructed within the 400' x 400' work area as staked. All lines will be installed above ground and located as shown on Exhibit "D".

(5) LOCATION AND TYPE OF WATER SUPPLY

(a) Water for drilling well will be purchased from a supplier and transported by truck to the well site over existing roads shown on Exhibit "B".

(6) SOURCE OF CONSTRUCTION MATERIAL

(a) Caliche will be used from the pit in the SE/4 of NE/4 Section 1-T20S-R27E, or NE/4 of NE/4 Section 36-T19S-R27E. This caliche will be bought by contractor and hauled over roads shown on Exhibit "B".

(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, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24" of dirt. All waste material will be contained to prevent scattering by the wind. Location of trash pit is shown on Exhibit "C".

(f) All trash and debris will be buried or removed from the well site within 30 days after finishing drilling and/or completion operations.

(8) ANCILLARY FACILITIES

(a) None required.

(9) WELL SITE 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) There should be approximately a 2' cut on the north and south sides and a 2' fill on the east and west sides.

(c) The reserve pit will be plastic lined.

(d) The pad and pit area has been staked and flagged.