

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

A. Necessary production facilities will be located on the well pad.

5. LOCATION AND TYPE OF WATER SUPPLY:

A. Water necessary for drilling operations will be purchased and trucked to the well site over existing and proposed roads, or will be moved to the well site by temporary pipeline laid on the ground alongside existing and proposed roads.

6. SOURCE OF CONSTRUCTION MATERIALS:

A. Caliche needed for construction work will be taken from an existing pit on privately owned land in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 12, Township 19 South, Range 26 East, Eddy County, New Mexico, and will be trucked to the well site over existing and proposed roads. Location of the caliche pit is shown on Exhibit "B".

7. METHODS OF HANDLING WASTE MATERIAL:

A. Drill cuttings will be disposed of in the drilling pits.

B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.

C. Water produced during tests will be disposed of in the drilling pits

D. Oil produced during tests will be stored in test tanks until sold.

E. Trash, waste paper, garbage and junk will be 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 the trash pit is shown on Exhibit "C".

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

8. ANCILLARY FACILITIES:

A. None Required.