Lario	Federal	#1		
Page 2			 	

- 5. LOCATION AND TYPE OF WATER SUPPLY.
 - A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from commercial sources and will be hauled to the location by truck over the existing roads shown in Exhibit A.
- 6. SOURCE OF CONSTRUCTION MATERIALS.
 - A. Location and road are in place.
- 7. METHODS OF HANDLING WASTE DISPOSAL.
 - A. Drill cuttings will be disposed of in the reserve pits.
 - B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
 - G. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted.
 - D. Oil produced during operations will be stored in tanks until sold.
 - E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
 - F. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches dirt. All waste material will be contained to prevent scattering by the wind.
 - G. 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.
 - A. None required.
- 9. WELLSITE LAYOUT.
 - A. This is a reentry and the pad is in place.
- 10. PLANS FOR RESTORATION OF THE SURFACE.
 - A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing a condition as possible.