

Application for Permit to Drill Government "AD" No. 2

December 8, 1976

Page No. 6

- C. Maximum grade: 3 per cent.
- D. Turnouts: Two passing turnouts will be constructed at approximately 1200' and 2400' east of the well site. This construction will increase the width of the new road to 20' for a distance of 30'.
- E. Drainage design: New road will have a drop of 6" from center line to each side.
- F. Culverts: One 30" culvert to be installed in a wash 1000' NE of the western starting point of the new road.
- G. Cuts and fills: The new access road will need only minor levelling to prepare the road bed. The location will have a 3' cut on the north side and a 3' fill on the south.
- H. Gates and cattleguards: none needed.

3. Location of Existing Wells.

Existing wells are shown on the ownership map.

4. Location of Existing and/or Proposed Facilities.

At each of the existing wells in the Magruder Unit, production equipment is set on the caliche drilling pad approximately 150' from the well. The equipment consists of two (or more) - 300 barrel tanks to collect condensate and water which is trucked to sale or disposal and a production unit (stack pack). The gas purchaser installs necessary gas measuring equipment and gathering system for gas. All equipment is fenced with chain link fence.

If the Government "AD" No. 2 is a producer, the same type and size equipment will be set on the drilling pad.

5. Location and Type of Water Supply.

Fresh and brine water will be purchased and trucked to the well site over the existing and proposed roads.