

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.
- C. Water produced during operations will be collected in tanks until hauled to an approved disposal system or a separate disposal application will be submitted to the USGS for appropriate approval.
- 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 of 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. Exhibit D shows the dimensions of the well pad and reserve pits, and the location of major rig components. As indicated in Exhibit D, the southwest corner of the pad will be partially eliminated in order to avoid the necessity of cutting through the southeast-to-northwest fence which exists at that point.
- B. The ground surface at the drilling location has a gentle rise to the north, at the rate of approximately 4' to 6' over a lateral distance of several hundred feet. Cut and fill will be required to level the pad area, which will be covered with at least 6 inches of compacted caliche.
- C. The reserve pits will be plastic lined.
- D. The pad and pit area has been staked and flagged.