

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

- A. There are existing facilities within a one-mile radius of the proposed location. Refer to Exhibit #1 for the producing locations.
- B. If the proposed well is complete and productive, plans are to construct a tank battery at the well pad and no further surface disturbance will occur.

5. LOCATION AND TYPE OF WATER SUPPLY

Fresh water and brine will be trucked to the location from a commercial water supplier.

6. SOURCE OF CONSTRUCTION MATERIALS

Caliche for the pad and access road will be obtained from the location of the well pad following leveling.

7. METHODS OF HANDLING WASTE DISPOSAL

- A. Drill cuttings will be disposed of in the reserve pit.
- B. Drilling fluid will be allowed to evaporate in the reserve pit until pits are dry.
- C. Water produced during tests will be disposed of in the reserve pit. Oil produced during tests will be stored in a test tank until sold.
- D. All salts and chemicals will be disposed of in the reserve pits.
- E. A septic bore hole will be constructed on the pad for disposal of human waste.
- F. Trash and garbage will be buried in the burn pit and covered with a minimum of 24 inches of dirt.
- G. All garbage and debris will be buried or removed from the site following drilling and/or completion operations.

8. ANCILLARY FACILITIES

No ancillary facilities will be required.

9. WELL SITE LAYOUT

- A. The relative location and dimensions of the well location, sump pit, reserve pit, trash pit, and the area for the location of major rig components is shown in Exhibit #4.
- B. Leveling of the well site may be required. No significant cuts or fills will be required.
- C. The reserve pit will be plastic lined.