5. SOURCE OF CONSTRUCTION MATERIALS:

A. Caliche for surfacing the well pad and roadway will hopefully be obtained from the pad and pit area. In the event suitable material is not available at the location site, caliche will be obtained from an existing pit in the SE/4 of the SE/4 of Sec. 29-T20S-R27E. This would be BLM pit #20272915.

6. METHODS OF HANDLING WASTE DISPOSAL:

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

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

C. Water produced during tests will be disposed of in the drilling pits. Oil produced during tests will be stored in test tanks until sold.

D. Current laws and regulations pertaining to the disposal of human water will be complied with.

E. All trash, junk and other waste material will be contained to prevent scattering and will be removed and deposited in an approved sanitary landfill.

F. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

7. ANCILLIARY FACILITIES:

A. None required.

8. WELLSITE LAYOUT:

A. Exhibit "C" shows the relative location and dimensions of the well pad, mud pits, reserve pit, trash pit, and location of major rig components.

B. The pad and pit area has been staked and flagged.

9. PLANS AND RESTORATION OF THE SURFACE:

A. After completion of drilling and/or completion operations all equipment and other material not needed for operations will be removed. Pits will be filled and location cleaned of all trash and junk to leave the wellsite in an aesthetically pleasing condition as possible.

10. OTHER INFORMATION:

A. The geologic surface formation consists of predominantly sandy loam. Lithic inclusions within the soil consist of small amounts of fragmented caliche. The vegetative cover is generally sparse and consists mainly of shrubs.