Chi Operating, Inc. Remington Federal, Well No. 2 Page 3

8. ANCILLARY FACILITIES:

A. None required.

9. WELL SITE LAYOUT:

- A. Exhibit "D" shows the relative location and dimensions of the well pad, reserve pits, and major rig components. The pad and pit area has been staked and flagged, 400' X 400'.
- B. Mat Size: 245' X 165', plus 75' X 100' reserve pits on the north.
- C. Cut & Fill: None required.
- D. The surface will be topped with compacted caliche and the reserve pits will be plastic lined.

10. PLANS FOR 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 the location cleaned of all trash and junk to leave the well site in an aesthetically pleasing a condition as possible.
- B. Any unguarded pits containing fluids will be fenced and screened until they are filled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management will be complied with and will be accomplished as expeditiously as possible. All pits will be filled and leveled within 90 days after abandonment or as soon as they are dry enough to be worked.

11. OTHER INFORMATION:

- A. Topography: The well site and access road are located northwest of the Burton Flats area and .6 mile west of the Palmilla Draw with a .6% slope to the southeast from an elevation of 3282' GL.
- B. Soil: The topsoil at the well site is a brown fine sandy loam of the Simona Gravely Series.
- C. Flora and Fauna: The vegetation cover is a very good grass cover of tobosa, threeawn, grama, sand dropseed, fluffgrass, and bush muhly, along with plants of mesquite, broomweed, yucca, sage, cacti and miscellaneous weeds and wildflowers. The wildlife consists of rabbits, coyotes, rattlesnakes, lizards, dove, quail and other wildlife typical of the semi-arid desert land.
- D. Ponds and Streams: None in the area.
- E. Residences and Other Structures: None in the area. except production facilities.
- F. Land Use: Cattle grazing.