

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

- A. There are no production facilities on this lease at the present time.
- B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive of oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required of the well is productive-gas.

5. LOCATION AND TYPE OF WATER SUPPLY

- A. It is planned to drill the well with brine water. Brine water will be used as necessary and a brine mud system used if abnormal gas, oil, or water pressure are encountered while drilling. Any water hauled will be hauled to the location by truck over the proposed roads in Exhibit A.

6. SOURCE OF CONSTRUCTION MATERIALS.

- A. No new construction will be necessary and no materials hauled.

7. METHODS OF HANDLING WASTE DISPOSAL

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be placed in tanks and stored until operations cease and then hauled to authorized disposal.
- C. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted.
- D. Oil produced during operations will be stored in tanks until sold, and hauled.
- E. Current laws and regulations pertaining to the disposal of human waste will be complied with to the utmost.
- F. Trash, waste paper, garbage and junk will be placed in a separate trash trailer and hauled to an authorized dump site. All waste material will be contained to prevent scattering by the wind.
- G. All trash and debris will be removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES

- A. None are required.