6. SOURCE OF CONSTRUCTION MATERIALS:

A. If possible, caliche needed for construction work will be taken from within the well pad during the leveling of the site. A small, lined earthen pit will be constructed on the south side of the well pad and will be reclaimed, after operations, in accordance with BLM requirements.

7. METHODS OF HANDLING WASTE MATERIAL:

- A. Cement cuttings will be collected in steel drillng pits and then disposed of in the lined pit.
- B. The primary purpose of the small, lined earthen pit is to collect any drilling water that may leak from the BOP during drilling operations.

Drilling fluids (fresh water) will be allowed to evaporate in the drilling pits until the pits are dry. The pits will then be reclaimed when dry.

- C. Load water produced during tests will be disposed of into the drilling pits. Produced brine will be trucked off location.
- D. Oil produced during tests will be stored in test tanks until sold.
- E. Trash, waste paper, garbage and junk will be disposed of in a portable trash bin and hauled to an authorized public dump. All waste material will therefore be contained to prevent scattering by the wind.
- F. All debris will be removed from the well site within thirty days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES:

A. None required.

9. WELL SITE LAYOUT:

A. Exhibit "C" shows the relative location and dimensions of the well pad, steel mud pits, earthen pit, and the location of other components.