

- Sec. 27, T-23-S, R-31-E Eddy County - Patoil's Wright #1 drilled and abandoned 6/20/61
- Sec. 23, T-23-S, R-31-E Eddy County - Texas American Oil Corp's Todd Federal 23 #1 producing from the Cherry Canyon
- Sec. 23, T-23-S, R-31-E Eddy County - Texas American Oil Corp's Todd Federal 23 #2 producing from the Cherry Canyon
- Sec. 26, T-23-S, R-31-E Eddy County - Texas American Oil Corp's Todd Federal #3 P & A
- Sec. 26, T-23-S, R-31-E Eddy County - Texas American Oil Corp's Todd Federal 26 #2, 4, 5, 6, and 7 producing from the Cherry Canyon
- Sec. 26, T-23-S, R-31-E Eddy County - Texas American Oil Corp's Todd Federal 26 #1 Currently shut in, in the Atoka
- Sec. 25, T-23-S, R-31-E Eddy County - Getty's Todd Federal 25 #1-X producing from the Morrow

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

There are no existing facilities on the lease at present. If production is established, producing facilities and tank battery will be constructed on the drilling pad and no additional surface disturbance will be required.

5. LOCATION AND TYPE OF WATER SUPPLY:

Brine and fresh water used in the drilling of the well will be purchased and trucked to the well site over existing roads as shown on Exhibit A.

6. SOURCE OF CONSTRUCTION MATERIALS:

Caliche will be added to the roadway and drilling pad and will be obtained from a Federal pit located in the NE $\frac{1}{4}$  of the SE $\frac{1}{4}$  Sec. 35, T-23-S, R-31-E. The pit is 3/4 miles SE of proposed drilling location. See Exhibit A.

7. METHOD OF HANDLING WASTE DISPOSAL:

- A. Drilling cuttings will be disposed of in the drilling pits.
- B. Drilling fluids will be allowed to evaporate in the drilling pits. Oil produced during tests will be stored in steel test tanks until sold. Water produced during tests will be disposed of in the drilling pits.
- C. Sewage will be collected in a pit at least 6' deep below an outside latrine. Suitable chemicals will be added to aid decomposition of the waste material and then back filled following completion of the well. A portable toilet will be utilized with waste picked up by a vacuum truck and removed from the area.
- D. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind. Location of trash pit is shown on Exhibit C.
- E. All trash and debris will be buried or removed from the well site within 30 days after cessation of drilling or completion operations.

8. ANCILLARY FACILITIES:

None required.

9. WELL SITE LAYOUT:

- A. Exhibit C shows the relative location and dimensions of the well pad, mud pits, reserve pits, trash pit and major rig components.
- B. The proposed well site is situated on flat land and will require only minimal levelling.
- C. The reserve pit will be lined.
- D. The pad has been staked and flagged. The access road will be a widened and caliched ranch road currently in use.