

4. Location of Tank Batteries and Production Facilities

- A. The location of existing and/or proposed facilities owned or controlled by the lessee/operator within a one mile radius are shown on Exhibit "E".
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|---------------------------|-------------------|
| a. Tank Batteries:        | Sec. 28-T23S-R31E |
| b. Production Facilities: | Sec. 28-T23S-R31E |
| c. Oil Gathering Lines:   | None              |
| d. Gas Gathering Lines:   | None              |
| e. Injection Lines:       | None              |
| f. Disposal Lines:        | None              |
- B. It is contemplated that, in the event of production, all new facilities will be easily accommodated on the drill pad, and a production facilities layout will be submitted with a Sundry Notice if necessary.
- C. Concrete and gravel as needed will be purchased from private sources.
- D. All permanent structures constructed or installed, including pumpjacks, will be painted a flat, non-reflective, earth tone color to match the standard environmental colors.
- E. Pits will be fenced to minimize any hazard to sheep, cattle, antelope and other animals that graze the area. Flagging material will be used as needed if water or other fluid is produced.
- F. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

5. Location and Type of Water Supply

Water for drilling purposes will be purchased from commercial sources and trucked to location over roads shown on Exhibit "E".

6. Source of Construction Material

Road surfacing and pad construction material will be native, gathered in actual construction of the road and location. Construction materials will be located on the lease.

7. Methods of Handling Waste Disposal

- A. Drill cuttings will be buried in the reserve pit, then covered.
- B. All drilling fluids will be handled in the reserve pit. See Exhibit "G" for pit location on drilling pad.