

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

A. There are no existing production facilities on the leasehold. Necessary production facilities for this proposed well will be located on the well pad.

5. LOCATION AND TYPE OF WATER SUPPLY:

A. It is not planned that a water well will be drilled. Water necessary for drilling operations will be purchased and trucked to the well site, or will be moved to the well site by temporary pipeline laid on the ground alongside existing and proposed roads.

6. SOURCE OF CONSTRUCTION MATERIALS:

A. Some of the caliche needed for construction work will be available on-site. If the on-site material is insufficient, additional caliche will be taken from the existing pit on Federal land in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 1, T.23 S., R.31 E., Eddy County, New Mexico. Caliche will be trucked to the well site over existing and proposed roads. Location of the caliche pit is shown on Exhibit "A".

7. METHODS OF HANDLING WASTE MATERIAL:

A. Drill cuttings will be disposed of in the drilling pits.

B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.

C. Water produced during tests will be disposed of in the drilling pits

D. Oil produced during tests will be stored in test tanks until sold.

E. 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 the trash pit is shown on Exhibit "C".

F. All trash and debris will be buried or removed from the well site within thirty days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES:

A. None necessary.