6. SOURCE OF CONSTRUCTION MATERIALS:

A. If possible, caliche needed for construction work will be taken from within the NW/4 of the 400'x 400' work area adjacent on the north to the planned reserve pit, and the resulting pit will be reclaimed along with reclamation of the reserve pit area after completion of drilling operations.

If there is no usable caliche within the area of the well site, caliche will be taken from an existing Federal pit in the SW¼SE¼ of Section 5, T.23 S., R.29 E. south of the proposed well site.

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 required.

9. WELL SITE LAYOUT:

A. Exhibit "C" shows the relative location and dimensions of the well pad, mud pits, reserve pit, and trash pit, and the location of major drilling rig components.

B. The well pad will be oriented so the drilling rig will V-door north to allow maximum distance of the well pad and reserve pit from El Paso's existing pipeline.