

- d. Any caliche required to upgrade the firewall around the existing battery will be obtained from the drilling locations or a BLM approved caliche pit.
 - D. If the well is productive, rehabilitation plans are as follows:
 - a. The reserve pit will be back-filled after the contents of the pit are dry (within 120 days after completion, weather permitting).
 - b. Caliche from unused portions of the drill pad will be removed. The original topsoil from the wellsite will be returned to the location. The drill site will then be contoured to the original natural state. Reseeding will be to BLM specifications.
- 5. Location and Type of Water Supply:

The Todd "26" Federal #11 will be drilled using a combination of brine and fresh water mud systems (outlined in drilling program). The water will be obtained from commercial water stations in the area and hauled to location by transport truck using the existing and proposed roads shown in exhibit #3. Additionally, produced lease salt water from lease gathering tanks may be utilized. No water well will be drilled on the location.
- 6. Source of Construction Materials:

All caliche utilized for the drilling pad and proposed access road will be obtained from an existing BLM approved pit. All roads will be constructed of 6" rolled and compacted caliche.
- 7. Methods of Handling Water Disposal:
 - A. Drill cuttings will be disposed into the reserve pit.
 - B. Drilling fluids will be contained in steel mud tanks. The reserve pit will contain excess drilling fluid or fluid from the well during drilling, cementing, and completion operations. The reserve pit will be an earthen pit roughly 125' x 125' x 6', or smaller, in size.