

**POINT 3: LOCATION OF EXISTING WELLS**

Exhibit "A" indicates existing wells within the surrounding area.

**POINT 4: LOCATION OF EXISTING OR PROPOSED FACILITIES**

- A) Existing facilities within one mile owned or controlled by lessee/operator:

Production facilities are located at the following well locations.

James Ranch Unit #1  
James Ranch Unit #4  
James Ranch Unit #7  
James Ranch Unit #10  
James Ranch Unit #13

- B) New Facilities in the Event of Production:

Will build new facilities at James Ranch Unit #7 Battery.

- C) Rehabilitation of Disturbed Areas Unnecessary for Production:

Those access areas required for continued production will be graded to provide drainage and minimize erosion. The areas unnecessary for use will be graded to blend in the surrounding topography - See Point 10.

**POINT 5: LOCATION AND TYPE OF WATER SUPPLY**

- A) Location and Type of Water Supply

Brine water will be hauled from B&E Brine Sales. Fresh water to be hauled from Carlsbad.

- B) Water Transportation System

Water hauling to the location will be over the existing and proposed roads.