

E. Garbage and trash produced during drilling or completion operations will be disposed of in a separate trash trailer on location. All waste material will be contained to prevent scattering by the wind. All water and fluids will be disposed of into the reserve pit. Salts and other chemicals produced during drilling or testing will be disposed into the reserve pit. No toxic waste or hazardous chemicals will be produced by the operation.

F. After the rig is moved out and the well is either completed or abandoned, all waste materials will be cleaned up within 30 days. No adverse materials will be left on the location. The reserve pit will be completely fenced and kept closed until it is dried. When the reserve pit is dry enough to breakout and fill and, weather permits, the unused portion of the well site will be leveled and reseeded as per BLM specifications. Only that part of the pad required for production facilities will be kept in use. In the event of a dry hole, only a dry hole marker will remain.

8. Ancillary Facilities:

No airstrip, campsite or other facility will be built as a result of the operations of the proposed well.

9. Well Site Layout:

A. The drill pad layout, with elevations staked by Dan Reddy, Engineer, is shown in Exhibit "D". Dimensions of the pad, pits and location of major rig components are shown. The well pad and pits are to be located on the original well pad and pit area. Top soil, if available, will be stockpiled per BLM specifications as determined at the on-site inspection. Since the pad is almost level no major cuts will be required.

B. Exhibit "D" shows the planned orientation for the rig and associated drilling equipment, reserve pit, trash pit, pipe racks, turn-around and parking areas and access road. No permanent living facilities are planned but a temporary foreman/toolpusher's trailer will be on location during the drilling operations.

C. It will not be necessary to construct a reserve pit. However, a small workover pit will be constructed.

10. A. Upon completion of the proposed operations, if the well is to be abandoned, the pit area, after allowing to dry, will be broken out and leveled. The original top soil will be returned to the entire location which will be leveled and contoured to as nearly the original topography as possible.