3. LOCATION OF EXISTING WELLS:

A. Existing wells within a one-mile radius are shown on Exhibit "B".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

- A. There are no exisiting tank batteries on the lease.
- B. If the well is productive, the tank battery and flow line will be located on the well pad and no additional surface disturbance will occur.

5. LOCATION AND TYPE OF WATER SUPPLY:

A. Water for drilling will be purchased and transported by truck.

6. SOURCE OF CONSTRUCTION MATERIALS:

A. Caliche for surfacing the road and the well location will be furnished from existing pit in the N.W/4 of SE.4 Section 9, T26S-R27E. The pit is on land owned by the USA who is also the owner of the surface location.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the drilling pits.
- B. Drilling fluids will be allowed to evaporate in the drilling pits.
- C. Water produced during tests will be disposed of in the drilling pits. Oil produced during tests will be stored in test tanks until sold.
- D. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- E. Trash, waste paper, garbage and junk will be buried in 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 trash pits is shown on Exhibit "C". (Alternate all trash, junk and other waste material will be contained to prevent scattering and will be removed and deposited in an approved sanitary landfill.)
- F. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES:

A. None required.