

MULTI-POINT SURFACE USE AND OPERATIONS PLAN
PAGE 3

5. LOCATION AND TYPE OF WATER SUPPLY.

- A. Drilling water is to be purchased and hauled to the proposed drilling site.
- B. Water to be hauled by trucks.
- C. No well is to be drilled.

6. SOURCE OF CONSTRUCTION MATERIALS.

- A. Caliche is to be excavated and hauled from an existing pit located in SE/4, NE/4, Section 3, T25S, R29E, NMPM, Eddy County, New Mexico.
- B. On Federal land.
- C. The pit to be used is shown on Exhibit "F" and is in Section 3, Township 25 south, Range 29 east. The materials taken from this pit are to be used to build the access road and the drilling location pad. This site has been previously cleared by an archeologist.

7. METHODS OF HANDLING WASTE DISPOSAL.

- 1. Drill cuttings will be disposed of in the drilling pits.
- 2. Drilling fluids will be allowed to evaporate in the drilling pits until pits are dry.
- 3. Water produced during tests will be disposed of in the drilling pits. Oil produced during tests will be stored in test tanks until sold.
- 4. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- 5. 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 trash pits is shown on Exhibit "G". (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.)
- 6. All trash and debris will be buried or removed from the well site within 30 days after finishing drilling and/or completion operations.