

D) Turnouts

Not applicable.

E) Culverts, Cattle Guards, and Surfacing Equipment

Not applicable.

POINT 3: LOCATION OF EXISTING WELLS

Exhibit "C" 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:

James Ranch Unit #15 (Directional well on the same pad)

B) New Facilities in the Event of Production:

In the event that the well is productive, the production facilities from the James Ranch Unit #15 will be utilized as much as possible. Additional production facilities will be installed as required.

C) Rehabilitation of Disturbed Areas Unnecessary for Production:

Following the construction of production facilities, 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

Fresh water and brine will be used in the drilling of this well. Water used for drilling purposes will be obtained from commercial water haulers and a rig water supply well.

B) Water Transportation System

Water hauling to the location will be over the existing and proposed roads. Well water will be transported via a temporary rolled plastic line.