

4. LOCATION AND TYPE OF WATER SUPPLY:

- A. Water will be purchased and trucked to the wellsite over the existing and proposed roads shown on Exhibits "A" and "AA".

5. SOURCE OF CONSTRUCTION MATERIALS:

- A. Caliche for surfacing the road and location could possibly be obtained from the construction site. In event that construction material cannot be obtained at the wellsite, caliche will be taken from a BLM pit located in the NW4/SE4 of Sec 12-T20S-R27E, which would be BLM pit #20282107.

6. 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 until pits are dry.
- 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 water will be complied with.
- E. 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 well site within 30 days after finishing drilling and/or completion operations.

7. ANCILLARY FACILITIES:

- A. None required.

8. WELLSITE LAYOUT:

- A. Exhibit "C" shows the relative location and dimensions of the well pad, mud pits, reserve pit, trash pit and location of major rig components.
- B. The pad and pit area has been staked and flagged.