D. The new road will be bladed with drainage on both sides to control runoff and soil erosion.
E. No culverts will be required.
F. No cattleguard will be required on the new road.

3. LOCATION OF EXISTING WELLS:

A. There is no drilling activity within one mile of the drillsite. The HPC #1 Bet-Net is located in the NE/4NW/4 of sec 25.
B. Exhibit "A" shows all existing wells within one mile of the wellsite as well as the proposed location. Other locations being permitted by Hanagan are also shown on Exhibit "A".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

A. In the event that the well is productive, the production facilities will be installed on the drilling pad and will probably consist of 3 300 barrel storage tanks surrounded by an earthen berm, a heater treater, a seperator and a pump jack.

5. LOCATION AND TYPE OF WATER SUPPLY:

Water used to drill this well will be produced water from the #1 Bet-Net well ttansported via a temporary surface line layed next to the road. Fresh water needed for drilling will be obtained from commercial sources and will be trucked to the location over existing and proposed roads shown on Exhibit "A" & "B".

6. SOURCE OF CONSTRUCTION MATERIALS:
Should a sufficient caliche source be found at the proposed location this will be the source of the caliche used for the pad and roads. If not 2 pits are located in the SW/4 SE/4 of section 1- T26S- R27E on BLM lands. Pit location is shown on Ex. A.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. Drill cuttings will be disposed of in reserve pits.
B. Drilling fluids will be allowed to evaporate in reserve pits until pits are dry.
C. Water produced during operations will be collected in tanks until hauled to an approved disposal system, most likely the CRI system at