

- B. The disturbed area will be revegetated by reseeding during the proper growing season with a seed mixture of native grasses as recommended by the BLM.
- C. Three sides of the reserve pit will be fenced prior to and during drilling operations. At the time that the rig is removed, the reserve pit will be fenced on the rig (fourth) side and netted to prevent livestock or wildlife from being entrapped. The fencing and netting will remain in place until the pit area is cleaned-up and leveled. No oil will be left on the surface of the fluid in the pit. The entire reserve pit will be netted until the fluid has completely evaporated.
- D. Upon completion of the proposed operations, if the well is completed, the reserve pit area will be treated as outlined above within the same prescribed time. The caliche from any area of the original drillsite not needed for production operations or facilities will be removed and used for construction of thicker pads or firewalls for the tank battery installation. Any additional caliche required for facilities will be obtained from a BLM - approved caliche pit. Topsoil removed from the drill site will be used to recontour the pit area and any unused portions of the drill pad to the original natural level and reseeded as per BLM specifications.

11. Surface Ownership:

The wellsite and lease is located entirely on Federal surface. Kenneth Smith, Carlsbad, NM, has the Federal grazing lease on this surface.

12. Other Information:

- A. The area around the well site is grassland and the top soil is sandy. The vegetation is native scrub grasses with abundant oakbrush, sagebrush, yucca, and prickly pear.
- B. There is no permanent or live water in the immediate area. There is no evidence of any archaeological, historical or cultural sites on this location.
- C. A Cultural Resources Examination has been performed and will be forwarded in the near future.