

7. Methods of Handling Waste Disposal

All garbage and trash that can be burned shall be burned. All trash that cannot be burned will be contained in a trash pit and covered with a minimum of 4' of cover. All production waste such as cuttings, chemicals, overflows of oil, water, and drilling fluids, shall be contained in the reserve pit and on completion of drilling activities buried with a minimum of 4' of cover. The reserve pit will be fenced until cleanup operations are commenced. A portable toilet will be provided for human waste.

8. Ancillary Facilities

There are no ancillary facilities planned for this location.

9. Well Site Layout

See attached location layout plat.

10. Plans for Restoration of the Surface

Cleanup of the well location will commence immediately following the removal of the drilling equipment. The reserve pit will be fenced until restoration operations are commenced. The well location will be returned to approximate natural contour and the access road will be returned to original contour if the well is not productive. Both the road and location will be restored and reseeded in accordance with BLM specifications.

11. Other Information

Impact on the environment will be minimal. The access road and well location is sparsely vegetated and minimal disturbance will be required.

12. Operator's Representative

Minerals Management Inc., 501 Airport Drive, Suite 105,
Farmington, New Mexico 87401.