

Seven South Blanco P.C. Wells:

MKL No. 2	NW $\frac{1}{4}$ SW $\frac{1}{4}$, Sec. 5-T26N-R7W
MKL No. 3	SE $\frac{1}{4}$ SE $\frac{1}{4}$, Sec. 6-T26N-R7W
MKL No. 7	NW $\frac{1}{4}$ NW $\frac{1}{4}$, Sec. 8-T26N-R7W
MKL No. 13	NE $\frac{1}{4}$ NE $\frac{1}{4}$, Sec. 7-T26N-R7W
MKL No. 14	SW $\frac{1}{4}$ NW $\frac{1}{4}$, Sec. 5-T26N-R7W
MKL No. 16X	SE $\frac{1}{4}$ SE $\frac{1}{4}$, Sec. 5-T26N-R7W
MKL No. 19	NW $\frac{1}{4}$ NE $\frac{1}{4}$, Sec. 8-T26N-R7W

- (3) No oil gathering lines
- (4) No gas gathering lines
- (5) No injection lines
- (6) No disposal lines

B. Proposed facilities in the event of a producing well are shown on Exhibit "H".

- (1), (2) As shown on Exhibit "H".
- (3) Area to be used will be levelled. Native material will be used in the construction of the location.
- (4) The pit will be fenced and flagged to discourage the entry of livestock, wildlife and waterfowl.

C. All disturbed areas not needed for operations will be rehabilitated in the manner described in Item 10.

5. Location and Type of Water Supply:

- A. Water will be obtained from local water sumps in Largo Canyon or purchased from private sources.
- B. Water will be hauled by truck.
- C. No water well will be drilled on the lease.

6. Source of Construction Materials:

A, B, C, and D - No construction material is needed except as previously noted. Any materials required will be purchased from private sources.

7. Methods for Handling Waste Disposal:

- (1) Drill cuttings will be buried in the reserve pit.
- (2) Drilling fluids will be placed in the reserve pit and allowed to evaporate.
- (3) Produced fluids such as oil and formation water will be collected in a test tank.
- (4) Sewage will be contained and a suitable chemical will be used to decompose waste.
- (5) Garbage and other waste material will be placed in a trash pit, burned and later buried.
- (6) Upon completion of drilling, all trash and liter will be buried in the trash pit. The reserve pit will be fenced until dry at which time it will be backfilled.

8. Ancillary Facilities:

- A. No camps or airstrips are planned.

9. Well Site Layout:

- A. See Exhibits "G" and "H"
 - (1) See Exhibit "G"
 - (2) See Exhibit "H"
 - (3) See Exhibit "H"
 - (4) The reserve pit will be unlined