

4. Location of Existing and/or Proposed Facilities:

There are no existing facilities. If the proposed well is completed for production the tank battery will be located due east of the well and no additional surface disturbance will occur.

5. Location and Type of Water Supply:

Water for drilling will be purchased from Steve Carter at Maljamar and trucked over the roads shown in Exhibit "A".

6. Source of Construction Materials:

Caliche for surfacing the road and the well pad will be obtained from an existing pit in the SW/4 NW/4 Section 7, T18S, R33E. The pit is on Federal land.

7. Methods of Handling Waste Disposal:

Drill cuttings will be disposed of in the drilling pits.

Drilling fluids will be allowed to evaporate in the drilling pits until pits are dry.

Water produced during tests will be disposed of in the drilling pits. Oil produced during tests will be stored in test tanks until sold.

Current laws and regulations pertaining to the disposal of human waste will be complied with.

Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind. Location of trash pit is shown on the rig layout.

All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. Ancillary Facilities:

None required. \

9. Wellsite Layout:

The rig layout diagram shows the relative location and dimensions of the well pad, mud pits, reserve pit, burn pit, and location of major rig components.

Only minor levelling of the wellsite will be required. No cuts and fills will be necessary.

The reserve pit will be plastic lined.