

Multi-Point Surface Use and Operation Plan

Page 2

4. Location of Existing and/or Proposed Facilities:

If the well proves to be commercial, the necessary production facilities, gas separation process equipment and tank battery, will be installed on the drilling pad.

5. Location and Type of Water Supply:

It is planned to drill the proposed well with water that will be obtained from commercial sources and will be trucked to the wellsite over the existing roads and proposed access road shown on Exhibits I and II.

6. Source of Construction Materials:

Caliche for surfacing the road and wellsite pad will be obtained by the dirt contractor from an approved pit. Probable pit is located:
Unknown.

7. Methods of Handling Waste Disposal:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. All pits will be fenced with normal fencing material to prevent livestock from entering the area.
- D. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted to the USGS for approval.
- E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- F. 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.
- G. All trash and debris will be buried or removed from the wellsite within 30 days after finished and/or completion operations.

8. Ancillary Facilities: None required.