

F. Exhibit "C" shows the location of a gate which will need to be built.

3. Location of existing wells:

Location of existing wells within a two mile radius of the location are shown on Exhibit "D", Land Status Map.

4. Location of Existing and/or Proposed Facilities:

A. If the well proves to be commercial, the produced fluids will be stored in a tank battery located at the southwest corner of the location.

5. Location and type of water supply:

A. Drilling water will be obtained from private or commercial sources and will be transported over the existing and proposed access roads.

6. Source of Construction Materials:

A. If needed, caliche for surfacing the road and location will be obtained from the nearest source.

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 materials 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 a separate disposal application will be submitted to BLM for approval.

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

F. Oil produced during operations will be stored in tanks until sold.

G. Trash, waste paper, garbage and junk will be collected in a trash bin and hauled off location.

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