

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the drilling pits.
- B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.
- C. Water produced during test will be disposed of in the drilling pits. Oil produced during tests will be stored in test tanks until sold.
- D. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- E. Trash, waste paper, garbage, and junk will be hauled from the location and disposed of in a government approved landfill.
- F. All trash and debris will be removed from the well site within 30 days after finishing drilling and/or completion operations.
- G. The following is a list of Hazardous Materials that may be used during operations - Gasoline, New & Used Oil, Diesel, Hydrochloric acid, A-2(corrosion inhibitor), liquid citric(iron sequestrant), NE-17(non-emulsifier), CL-33(clay stabilizer), CL-55C (liquid KCL), Breaker E (water gel breaker), Class C Cement, Flocele, Calcium Chloride, Gilsonite(Gel), Bentonite(Gel), Poz Mix "A", Salt, Halad-322. All of the above materials will be contained in a manner that is considered by the BLM as environmentally safe. Upon completion of the well all of these materials will be taken from the location and disposed of in accordance with applicable Local, State & Federal Laws. (This includes used machinery oil)

8. ANCILLARY FACILITIES:

- A. OFF LEASE RIGHT OF WAY APPLICATION: This APD shall serve as a Right of Way application for 3,400' of road that is off lease as indicated on Exhibit "D". The road shall be 14' wide with a disturbance of 30'. The Right of Way shall be for 30 years and will be used year around by oil field vehicles.