

7. Methods of Handling Waste Disposal

Burial of refuse
on site is prohibited. STS

Waste Disposal: Well cuttings will be disposed in reserve pit. Barrel trash containers to be in accessible locations within drill site area during drilling and completion procedures. All detrimental waste will be hauled away, burned or buried with a minimum cover of 24" of dirt. See Exhibit "D" for location of pits. If well is productive, maintenance waste will be placed in special trash cans and hauled away periodically. Any produced water will be collected in tanks until hauled to an approved disposal system, or separate disposal applications will be submitted to survey for appropriate approval.

8. Ancillary Facilities

See Exhibits "C.1", "C.2", "C.3", "C.4", "C.5", and "C.6" for flowline and power line plats.

9. Wellsite Layout

See Exhibit "D". The reserve pit will be lined with plastic. The pad and pits are staked.

10. Plans for Restoration of Surface

Pits will be backfilled and leveled as soon as practical to original condition. Commencement of rehabilitation operations will immediately follow removal of drilling and completion equipment from location and rehabilitation of the surface is planned to be completed within 45 days from commencement.

11. Surface Ownership

SE/4 SW/4 Sec. 8: Howard & Betty Howel
E/2 NW/4 Sec. 17: James T. Foertsch
W/2 NW/4 Sec. 17: Howard & Betty Howel
NE/4 NW/4 Sec. 19: S.P. Yates
SE/4 Sec. 18: FEDERAL (Leased to Howel)
NW/4 NE/4 Sec. 19: FEDERAL (Leased to Houghtaling)

12. Other Information

Archaeological survey will be done on Federal Land in Secs. 18 and 19.

13. Operator's Representative and Certification

The person who can be contacted concerning compliance of this Surface Use Plan is:

Gary L. Smith
10 Desta Drive West
Midland, Texas 79705
(915)686-5471