

- E. If the well is deemed commercially productive, the reserve pit will be restored as described in 10 (A) within 120 days subsequent to the completion date. Caliche from areas of the pad site not required for operations will be reclaimed. The original top soil will be returned to the area of the drill pad not necessary to operate the well. These unused areas of the drill pad will be contoured, as close as possible, to match the original topography.

11. Surface Ownership:

The wellsite is owned by: Mr. Charles James
 1207 W. Riverside
 Carlsbad, New Mexico 88220

Road routes and damages have been settled.

12. Other Information:

- A. The area surrounding the well site is grassland. The top soil is very sandy in nature. The vegetation is moderately sparse with native prairie grass, sagebrush, yucca and miscellaneous weeds.
- B. There is no permanent or live water in the general proximity of the location. However, a windmill is located roughly 1300' northwest of the well.
- C. A Cultural Resources Examination has been completed by New Mexico Archaeological Services, Inc. and forwarded to the Carlsbad, New Mexico BLM office. The report references no cultural areas on either the access road or drilling pad.