SHACKELFORD OIL COMPANY

203 W. Wall STE 200

Midland, TX 79701

DESIGN: Closed-Loop system with roll-off steel bin (pits)

Contacts: Bob Shackelford - Office: 432-682-97.84 Cell: 432-813-7090

Art Marquez - Office: 432-682-9784 Cell: 575-405-1334

Monitoring: 12 hour service

Equipment:

500 bbl waste fluid tank

500 bbl brine water tank



Pump, swivel manifold

Reverse tank

1 CRI Bin with track system

Air pumps on location for immediate remediation process

Layout of Closed Loop System with bin, attached

Cuttings and associated liquids will be hauled to a State regulated third party disposal site, via CRI (Controlled Recovery, Inc.) Disposal Facility Permit # R9166

OPERATIONS:

Closed Loop equipment will be inspected daily by each tour and any necessary maintenance performed.

Any leak in system will be repaired and/or contained immediately.

OCD will be notified within 48 hours of the spill.

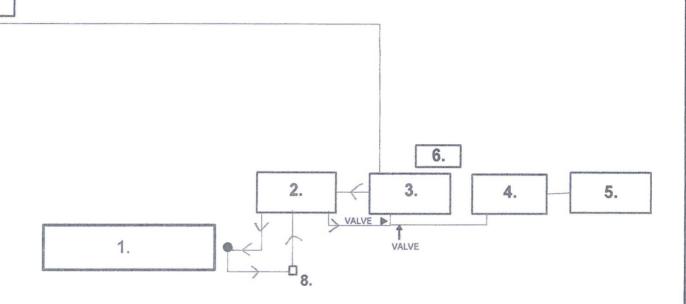
Remediation process started immediately:

CLOSURE;

During drilling operations all liquids, drilling fluids and cuttings will be hauled off via CRI (Controlled Recovery Incorporated) Disposal Facility Permit # R9166

RIG LAYOUT

7.



- 1. WELL SERVICE RIG
- 2. REVERSE UNIT
- 3. REVERSE PIT
- 4. WASTE FLUID TANK
- 5. WASTE FLUID TANK
- 6. SOLIDS BIN
- 7. 500 BBL. FRAC TANK
- 8. MANIFOLD

EXHIBIT D

LUSK FEDERAL #8-A V-DOOR EAST Rig Up West

NORTH

