

1. No. 3 well located 1650' from the South and 990' from the West lines of Section 27, Township 18 South, Range 32 East, Lea County, New Mexico. If productive other wells will be drilled on lease.

2. As noted on map, tank battery will be the existing battery presently used for Well No. 1 and Well No. 2. This battery is located on pad of Well No. 1.

3. There is no water supply on lease and water will be hauled. Any produced brine will be hauled away and disposed of.

4. All waste materials as listed in No. 7 will be hauled off or buried in the pits.

10. See plat for location layout. Since this is a cable tool rig there will be no mud tanks or pipe racks. A small water tank will be on location for cementing. Small pad for location as shown approximately is 100 feet by 175 feet. Rig will be on north edge of pad with small pit just north of rig.

11. Surface will be put back to near original contour when well is completed as a producer or plugged.