FALCON CREEK RESOURCES, INC.
FALCON CREEK "17" FEDERAL # 1
UNIT "M"   SECTION 17
T20S-R36E   LEA CO. NM

4. If, on completion this well is aproducer Falcon Creek Resources, Inc. will furnish maps and/or plats showing on site facilities or off site facilities if needed. This will be accompanied with a sundry notice.

5. LOCATION AND TYPE OF WATER SUPPLY:

   Water will be purchased locally from a commercial source and trucked over the access roads or piped in flexible lines laid on top of the ground.

6. SOURCE OF CONSTRUCTION MATERIAL:

   If possible construction will be obtained from the excavation of drill site, if additional material is needed it will be purchased from a local source and transported over the access route as shown on Exhibit"C".

7. METHODS OF HANDLING WASTE MATERIAL:

   A. Drill cuttings will be disposed of in the reserve pit.

   B. All trash, junk and other waste material will be contained in trash cages or bins to prevent scattering. When the job is completed all contents will be removed and disposed of in a approved sanitary land fill.

   C. Salts remaining after completion of well will be picked up by supplier including broken sacks.

   D. Sewage from living quaters will drain into holes with a minium depth of 10'. These holes will be covered during drilling and will be back filled upon completion. A Porta-John will be provided for the rig crews. This equipment will be properly maintained during the drilling operations and removed upon completion of the well.

   E. Remaining drilling fluids will be allowed to evaporate in the reserve pit until the pit is dry enough for breaking out. In the event that drilling fluids do not evaporate in a reasonable time they will be hauled off by transports and be disposed of at a state approved disposal facility. Later pits will be broken out to speed drying. Water produced during testing will be put in reserve pits. Any oil or condensate produced will be stored in test tanks until sold and hauled from the site.

8. ANCILLARY FACILITIES:

   A. No camps or airstrips to be constructed.