

F. Gates, Cattleguards, Fences: Existing fence is approximately 900' northeast of the proposed location. A new cattleguard will be installed approximately 900' NE of the location.

G. The proposed road is staked.

3. Location of Existing Wells

See Exhibit "D".

4. Location of Existing and/or Proposed Facilities

A. Tank Batteries: If one is required it will be erected on the well pad.

B. Producing Facilities: No additional producing facilities are required.

C. Oil Gathering Lines: None

D. Other Lines: EPNG Company will tie-in at the wellhead as shown on Exhibit "D".

E. Rehabilitation: 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.

F. Power Lines: None required.

5. Water Supply

The brine water will be hauled from Eunice, New Mexico. The fresh water will be hauled from fresh water station in the SW/4 of Section 35, as shown on Exhibit "B".

6. Source of Construction Materials

A. Caliche for surfacing the new road and the well pad will be obtained from an existing pit in the SE/4 of Section 16, T-20S, R-37E as shown on Exhibit "B".

B. Caliche to be purchased from B. F. Walker by the dirt contractor.

C. The caliche to be hauled over existing roads shown on Exhibit "B" following same route as outlined in directions to location. The pit is on the south side of existing lease road.