

3. Location of Existing Wells:

See Exhibit "D".

4. Location of Existing and/or Proposed Facilities:

A. Tank Batteries:

Proposed gas well.

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

C. Oil Gathering Lines:

Proposed gas well.

D. Other Lines:

The gas company will tie-in at the wellhead.

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.

5. Water Supply: The water supply will be hauled from the Eumont Hardy Fresh Water Station as shown on Exhibit "C".

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 Exhibits "B" and "C".

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

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

7. Methods for Handling Waste Disposal:

Waste Disposal - Well cuttings will be disposed in reserve pit. Barrel trash containers to be in accessible locations within drill site area during drilling and completion procedures. All detrimental waste will be hauled away, burned or buried with a minimum cover of 24" of dirt. See Exhibit "E" for location of pits. If well is productive, maintenance waste will be placed in special trash cans and hauled away periodically. Any produced water will be collected in tanks until hauled to an approved disposal system, or separate disposal applications will be submitted to the survey for appropriate approval.