

3. Location of Existing Wells

See Exhibits "B" and "C"

4. Location of Existing and/or Proposed Facilities

- A. Tank Batteries: Existing batteries will be used. See attached Exhibit "C".
- B. Producing Facilities: No new producing facilities are required.
- C. Oil Gathering Lines: Flowlines will lay (not buried) on surface alongside the road right-of-way.
- D. Other Lines: No other lines required.
- 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. Rehabilitation of the surface is planned to be completed within 45 days from commencement.

5. Water Supply

The supply of water will be hauled from Eunice, New Mexico.

6. Source of Construction Materials

- A. Caliche will be purchased from Mr. Earl Kornegay.
- B. Caliche will be hauled on existing roads (Exhibit "B") from an existing pit in the SE/SE, Section 15, T-20S, R-38E.

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 "D" 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.

8. Ancillary Facilities

None

9. Well Site Layout

Exhibit "D" shows the relative location and dimensions of the well pad, mud pit, reserve pit, etc. The reserve pit will be lined with plastic. The pad and pits are staked.