

3. Location of Existing Wells

See Exhibit "C".

4. Location of Existing and/or Proposed Facilities

- A. Tank Batteries: The existing tank battery is located 1/2 mile northwest of the location. See Exhibit "C".
- B. Producing Facilities: No additional producing facilities are required.
- C. Oil Gathering Lines: The flowline will lay (not buried) approximately 1/2 mile to existing battery in Exhibit "C".
- D. Other Lines: No additional gas gathering, injection, or disposal lines will be 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 and rehabilitation of the surface is planned to be completed within 45 days from commencement.
- F. Power Lines: See attached plat for power distribution.

5. Water Supply

The water will be hauled from Eunice, New Mexico.

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 NW 1/4 of the SE 1/4 of Section 31, T-23S, R-37E as shown on Exhibit "C".
- B. Caliche to be purchased from Francis Randolph.
- C. The caliche to be hauled from the caliche pit; travel .2 mile south then .2 west, then back south .7 mile through cattleguard then back west .9 mile then south .2 mile and will run into new road to location.

7. Methods for Handling Waste Disposal

Waste Disposal: Well cuttings will be disposed in reserve pit. Barrel trash containers will be in accessible locations within drill site 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 on special 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.