

- 3) Temporarily abandoned wells - None
- 4) Disposal wells - None
- 5) Drilling wells - None
- 6) Producing wells - None
- 7) Shut-In wells - None
- 8) Injection wells - None
- 9) Monitoring or observation wells for other resources - None

4. TANK BATTERIES, PRODUCTION FACILITIES AND LEASE PIPELINES -

- A. There are no tank batteries, production facilities or pipelines within one mile of the location controlled by lessee.
- B. In the event of production, new facilities are shown on Exhibit "B".
  - 1) Proposed location and attendant lines by flagging if off of well pad shown on Exhibit "B".
  - 2) Dimensions of facilities are shown on Exhibit "B".
  - 3) Production facilities will be constructed on drillsite pad using caliche surface.
  - 4) Equipment and pit will be fenced and flagged to protect livestock and wildlife, if necessary.
- C. Rehabilitation will be done on any disturbed areas no longer needed for operations after completion of the production facilities. This will consist of reshaping the existing surface and seeding as specified.

5. LOCATION AND TYPE OF WATER SUPPLY -

- A. Water will be pumped or hauled from an existing water well located approximately 2 miles southeast of drillsite at the Anthony Ranch. In the event brine water is used, it will be hauled by truck from a source outside the area. In the event water is pumped, the pipeline will be laid on the surface of the ground along the access road to the drillsite.
- B. The pipeline is shown on Exhibit "A" from the water source to the drillsite.
- C. No water well will be drilled.

6. SOURCE OF CONSTRUCTION MATERIALS -

- A. Caliche will be obtained from a privately owned pit northeast of the Anthony ranch house as shown on Exhibit "A".