4. Location of Existing and/or Proposed Facilities

   A. There is no production equipment on this lease at present. If production is established, a tank battery will be built on the drilling pad and no additional surface disturbance will occur.

5. Location and Type of Water Supply

   A. Water will be purchased and trucked to the well site over existing roads shown on Exhibit "E".

6. Source of Construciton Materials

   A. Caliche for road repair and well pad will be obtained from a Federal Pit located in Section 5, approximately ½ mile east of location.

7. Methods of Handling Waste Disposal

   A. Drill cuttings will be disposed of in the drilling pits.
   B. Drilling fluids will be allowed to evaporate in the drilling pits until pits are dry.
   C. Water produced during tests will be disposed of in the drilling pits. Oil produced during tests will be stored in the test tanks until sold.
   D. Sewage will be collected in a pit at least 6' deep below an outside latrine. Suitable chemical will be added to aid decomposition of the waste material and then back filled following completion of the well.
   E. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind. Location of trash pit is shown on Exhibit "C".
   F. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. Ancillary Facilities

   A. None required.

9. Wellsite Layout

   A. Exhibit "C" shows the relative location and dimension of the well pad, mud pits, reserve pit, trash pit and location of major rig components.
   B. A three foot cut, moving dirt from west to east will be required to level location.