

3. LOCATION OF EXISTING WELLS:

A. Existing wells within a one-mile radius are shown on Exhibit "B".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

A. There are existing production facilities on the lease. A central battery has been constructed at the Wilson 8 Federal #1 well.

B. If production is encountered, the flowlines will pass under the roads in route to the facility thus requiring conduit installation when needed.

5. LOCATION AND TYPE OF WATER SUPPLY:

A. Water for drilling will be purchased from commercial sources and transported by truck to the wellsites over the existing and proposed roads shown on Exhibits "A" and "B".

6. SOURCE OF CONSTRUCTION MATERIALS:

A. Caliche for surfacing the road and the well pads will be obtained from commercial sources and transported by truck to the various sites.  
*From Pit SE 1/4 Sec. 9*

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 test tanks until sold.

D. Current laws and regulations pertaining to the disposal of human waste will be complied with.

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 pits 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 dimensions of the wellpad, mud pits, reserve pit, trash pit, and location of major rig components.

B. Only minor levelling of the wellsite will be required. No significant cuts and fills will be necessary.