SURFACE USE PLAN OF OPERATIONS PRIME OPERATING COMPANY WELLS B-1 #7 PAGE 2

5) Location and Types of Water Supply.

It is planned to drill the proposed well with fresh water supplied from local commercial sources. Brine will also be acquired from the same commercial sources. All transportation to the location will be by truck down the existing and proposed roads.

6) Source of Construction Materials.

Caliche will be obtained from a nearby caliche pit located to the west of the proposed drill site. The caliche pit is not located on federal land.

7) Methods of Handling Waste Disposal.

All drill cuttings will be disposed of in the reserve pits and fluids will be left to evaporate. Any produced fluid from the completion operations or from the drilling operations will be hauled to the appropriate disposal. Oil produced during drilling operations will be stocked and sold after completion Debris from the activity on or near the location will be disposed of in the proper manner.

8) Ancillary Facilities

There are none required.

9) Well Site Layout.

The attached Exhibit #5 shows the proposed drill pad and pit location plan. The proposed drill site is in an area of sparse vegetation with rocky top soil. The reserve pits for this operation will be lined with plastic.

10) Plans for Restoration of the Surface.

After drilling and completion operations are finished, the area will be returned to the normal grade. All pits containing mud or other liquids will be fenced. The pit area, after allowing to dry, will be broken out and leveled. All trash will be disposed of in the proper manner. In the event that the well is nonproductive, the area will be returned to the grade and existence prior to disturbance and the vegetation will be returned to its natural state.

RECEIVED

OFFICE