

4. Location of tank batteries and flow lines.

Production facilities consist of storage tanks, separators, treaters, and  
LACT units located approximately 600 ft north of SMU #1. If well No. 30  
is productive, a flowline will be installed along side existing lease  
road.

5. Location and type of water supply.

X Water to be hauled

Existing water well on lease ½ mile west and ½ mile south of location.

6. Source of construction materials.

Caliche will be taken from existing pit located northwest of SMU  
#23 x 24. See Exhibit D.

7. WASTE DISPOSAL -

- a. Drill cuttings will be disposed of in the reserve pit.
- b. Drilling fluids will be allowed to evaporate in the reserve pit until the pit is dry.
- c. Trash, waste paper, garbage and junk will be burned or buried with a minimum of 24" cover. Waste material will be contained to prevent scattering by wind prior to ultimate disposal.
- d. Any produced water will be contained in tanks and be disposed of in an approved manner. Oil produced will be stored in tanks until sold, at which time it will be hauled from location.
- e. Current laws and regulations pertaining to disposal of human waste will be complied with.
- f. If productive, maintenance waste will be placed in special containers and buried or hauled away periodically.

8. ANCILLARY FACILITIES - No camps, airstrips, etc., will be constructed.

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