

SLR Application

- Ten Temporary Rig Supply Wells
 - Support Operating Permit 0148
 - Max 50,000 gallons per day for each well
 - < 5 af/year for each well
 - 8 Simsboro, 2 Calvert Bluff
- Well Spacings
 - Meet with existing wells
 - Meet with property boundary
- Request POSGCD waive Public Hearing Requirement
 - Temporary Nature
 - Small volumes
 - Abandoned or “converted to long-term monitoring well to assist the District monitoring requirements.”

SLR Application

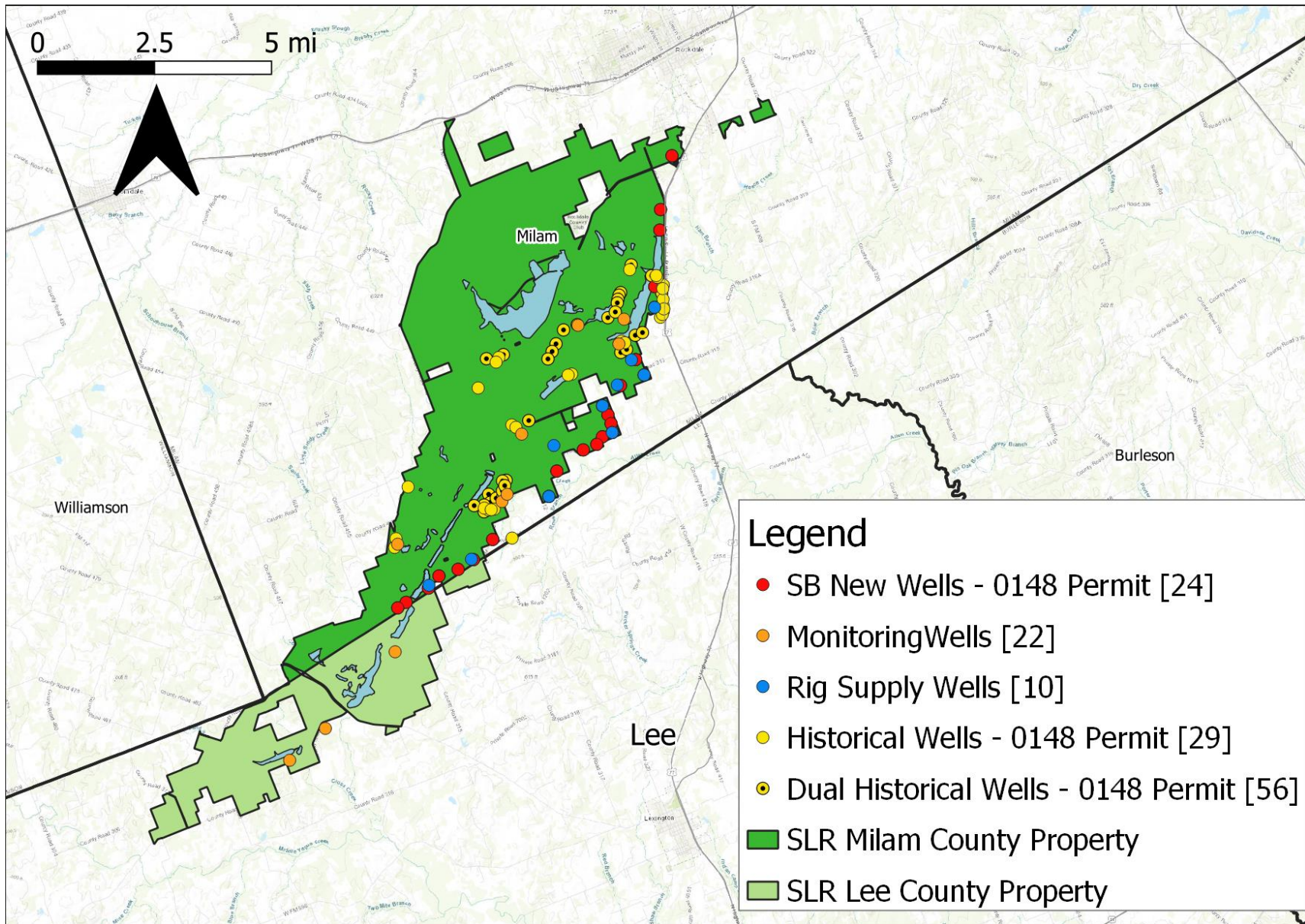
- Well Closure Plan

The temporary pumping equipment in the rig supply well will be removed upon completion of the permanent production well, and prior to installation of permanent pumping equipment in the approved production well.

The rig supply well closure plan is either rig supply well will be plugged in accordance with POSGCD and State of Texas requirements, or the monitoring program associated with SLR's Operating Permit 0148 will be amended to add the rig supply well as a new, long-term monitoring well.

- Discussion Regarding Request for Waiver
 - Technical
 - Legal

Location of Rig Supply Wells



Staff and Consultants Recommendations for consideration if SLR request is approved-

Create a brief agreement including the following:

- 1. SLR and District Staff and Consultants will coordinate, identify and agree on screen depths and locations for rig supply wells prior to drilling**
- 2. SLR, or its assigns, agree to install and maintain monitoring equipment as identified by District staff on all wells within 30 days of completion (currently we would require Wellntell units).**
- 3. These 10 wells, identified in Exhibit A, attached hereto and incorporated herein, shall remain separate and apart from any other agreements or agreed upon monitoring locations with the District;**
- 4. These requirements become binding additions to the current Operating Permit POS-D&O-0148.**