

ARMSTRONG 3 – St. Croix Operating Inc.
E&P Waste Management Plan For
Water-Based Bentonitic Drilling Fluids & Associated Drill Cuttings

This E&P Waste Management Plan outlines the operational requirements for handling water-based bentonitic drilling fluids and associated drill cuttings to maintain compliance with COGCC 900 Series Rules. Only water-based bentonitic drilling fluids will be spread on surface lands of the surface owner's land per a signed agreement with St. Croix Operating, Inc. (St. Croix).

1. St. Croix Operating, Inc. has secured a Fluids Handling Agreement from Vickie L. Armstrong, the surface owner.
2. The signed agreement states that only water-based bentonitic drilling fluids generated by St. Croix will be applied on her land.
3. Drilling Rig will be using a Closed Loop system and drill cuttings will be stored in containers as needed and then transported to a Commercial Facility/Landfill nearest this site per COGCC, Series 900 rules.

