



WASTE MANAGEMENT PLAN

Twin Bridges Resources LLC has prepared this Waste Management Plan for the Red Rocks 35-15 exploratory helium gas well in Las Animas County, Colorado. The sections below correspond to Colorado Oil & Gas Conservation Commission (COGCC) requirements in Rule 304.c.(11) to prepare a Waste Management Plan and the waste management criteria in Rules 905.a.(4) and 905.g.(2).

1. TYPES OF WASTE

No hydrocarbons or produced water are anticipated from the helium gas well. This is based on analysis from a representative well, located approximately 13 miles northwest of the Red Rocks well in Section 30, Township 28 South, Range 56 West. The Texaco Cynthia True Government #1 well was developed as an exploratory oil well. The well contained a high concentration of helium from the uppermost Lyons Formation at 1,015 feet. There were no hydrocarbons present.

The operator intends to drill the well with air. Drilling mud will not be used. Cementing will use a bulk unit and pump truck with no bagged debris. Waste is anticipated to be limited to drill cuttings and trash. Trash will consist of incidental food wrappers and similar packaging.

2. PROPOSED VOLUME OF WASTE

There will be an estimated 17 cubic yards of drill cuttings from well drilling. Trash will consist of domestic trash bags.

3. METHOD OF STORAGE AND WASTE TREATMENT

Drill cuttings will be stored on the Working Pad Surface in lined trenches. The trench liners will be polyethylene. The polyethylene will overlap the trench edge by approximately 3 feet and will be anchored to the ground.

The operator will demonstrate compliance with Table 915-1 parameters through sampling and analysis. Analysis will be performed by a commercial lab to confirm that constituents are below threshold levels listed in Table 915-1. Drill cuttings will be stored for the period required for lab analysis and receipt of results. Trash will be contained in a pickup truck and disposed of daily by the drilling team in a municipal garbage collection receptacle as incidental domestic waste.

4. MATERIAL REUSE AND RECYCLING

Thread protectors from piping will be transported off site by the well driller for reuse. Land application of drill cuttings will be performed in accordance with a Reuse/Recycling plan and applicable Form 4 and Form 27 and checklist.

5. TRANSPORTATION AND FINAL DISPOSITION OF WASTE

Drill cuttings will be land applied on rangeland on or adjacent to the Oil and Gas Location. They will provide a beneficial soil amendment to native soil, as specified in Rule 905.g.(2). Depending on consistency, the drill cuttings will be siphoned into a water truck for spreading or will be moved by skid steer. Drill cuttings will be incorporated into the soil using the skid steer. The surface use agreement with the landowner provides for onsite disposal. Trash will be bagged and secured in a pickup truck for daily offsite disposal as domestic trash.

As a contingency, drill cuttings will be stored as described above and hauled off site by a commercial hauler authorized to accept the waste for disposal at a permitted commercial waste disposal or recycling facility, consistent with Rule 905.b.(1). A waste profile would be provided to the commercial hauler to support the hauler manifest and

final disposal. Information will include waste generation detail, volume, results of the lab analysis conducted pursuant to Table 915-1, and the on-site storage method.

A contingency is in place for a spill of freshwater that consists of berming the affected area using the skid steer on location to prevent its runoff from the Oil and Gas Location.

A contingency also is in place for how incidental spills of equipment oil, hydraulic fluid, or fuel would be handled, treated, stored, and disposed of. The well driller will be equipped with a spill kit consisting of absorbents (e.g., socks) and bags of Sphag Sorb. The material will be placed in a drum on the drill rig. Spilled material, including contaminated soil, will be loaded into 1 or more drums for transport off site. Final disposition would be in accordance with the profile requirements for the landfill licensed to accept the waste. The landfill will be located in Texas, where the drum(s) would return with the drill rig. Final disposal would be at an authorized and permitted facility in accordance with Rule 905.b.(2). Were a spill to occur on site that exceeds the driller's capacity to contain and control contamination, a third-party provider would be engaged for spill response and any necessary reporting would be conducted to COGCC.