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1. **Existing Roads:** Area maps: Exhibit "B" is a reproduction of Eddy Co. General Highway Map. Exhibit "C" is a reproduction of a USGS Topographic Map, and Exhibit "C-1" is a well site layout map, showing proposed road to location and existing road. Existing road shown on Exhibits "C," "C-1," will be maintained in a condition equal to or better than current conditions.

- A. The maximum width of the driving surface will be 15.' The road will be crowned and ditched with a 2% slope from the tip of the crown to the edge of the driving surface. The ditches will be 1' deep with 3:1 slopes. The driving surface will be made of 6" rolled and compacted caliche.
- B. From the intersection of Hwy 176 and Marathon Road, go 3.5 miles north on Marathon Road, then turn west on Lynch Road. Go 0.4 miles to lease road and location.

2. **Planned Access Roads:** Approximately 476' of new on-lease road will be constructed from the northwest qtr of the pad site to the east.

3. **Planned Electric Line:** Approximately 500' of 480 volt, 4 wire, 3 phase, 2 spans of 40' poles, raptor spec E-line will be constructed to connect to existing pole on the Lynch 23 Federal #1H well pad to the #5. The route of the E-Line is shown on Exhibit G and will be constructed 10' to 20' South of the proposed access road.

4. **Location of Existing Wells in a One-Mile Radius - Exhibit A**

- A. Water wells - None known
- B. Disposal wells - None known
- C. Drilling wells - None known
- D. Producing wells - As shown on Exhibits "A"
- E. Abandoned wells - As shown on Exhibits "A"

5. **Location of Proposed Production Facilities:**

If on completion this well is a producer, the tank battery at the Lynch 23 Fed Com 1H wellsite will be used and the necessary production equipment will be installed. Construct & install two 4" buried HP poly lines, approximately 280' each, trenched straight across to the Lynch 23 Federal #1H battery, to carry oil, gas, & water. Cimarex will hydrovac excavate the existing pipeline and cross under it, this procedure will cause the pipe under the pipeline to be approximately 6' deep for 40'. The remainder of the line will be 4' deep, the standard for oilfield pipe. Gas lift will be provided by HP poly line buried in the same trench, approximately 280', to the Lynch 23 Fed Com 1H battery. The route of the flowlines are shown on Exhibit G - the flowline will be buried 25' to 35' South of the access road. Allocation will be based on well test. MAOP 1500 psi anticipated working pressure 200-300 psi. Any changes to the facility or off site facilities will be accompanied by a sundry notice.

5. **Location and Type of Water Supply:**

Water will be purchased locally from a commercial source and trucked over the access roads.

6. **Source of Construction Material:**

If possible, native caliche will be obtained from the excavation of drill site. Topsoil will be pushed back from the drill site and existing caliche will be ripped and compacted. Then topsoil will be stockpiled on location as depicted on Exhibit "D" (rig layout). If additional material is needed, it will be purchased from a BLM-approved pit as near as possible to the well location.

**7. Ancillary Facilities:**

- A. No camps or airstrips to be constructed.

**8. Well Site Layout:**

- A. Exhibit "D" shows location and rig layout.
- B. Mud pits in the closed circulation system will be steel pits and the cuttings will be stored in steel containment pits.
- C. Cuttings will be stored in steel pits until they are hauled to a state-approved disposal facility.
- D. If the well is a producer, those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.

**9. Plans for Restoration of Surface:**

Rehabilitation of the location will start in a timely manner after all drilling operations cease. The type of reclamation will depend on whether the well is a producer or a dry hole.

Drainage systems, if any, will be reshaped to the original configuration with provisions made to alleviate erosion. These may need to be modified in certain circumstances to prevent inundation of the location's pad and surface facilities. After the area has been shaped and contoured, topsoil from the spoil pile will be placed over the disturbed area to the extent possible. Revegetation procedures will comply with BLM standards.

If the well is a dry hole, the pad and road area will be recountoured to match the existing terrain. Topsoil will be spread to the extent possible. Revegetation will comply with BLM standards.

Should the well be producer, those areas of the location not essential to production facilities and operations will be reclaimed and seeded per BLM requirements. Please see Production Facilities Layout Diagram, exhibit D-1

**10 Other Information**

- A. Topography consists of a sloping plane with loose tan sands. Vegetation is mainly yucca, mesquite and shin oak.
- B. The wellsite is on surface owned by Department of the Interior, Bureau of Land Management. The land is used mainly for farming, cattle ranching, recreational use, and oil and gas production.
- C. An archaeological survey will be conducted on the location and proposed roads and this report will be filed with the Bureau of Land Management in the Carsbad BLM office.
- D. There are no known dwellings within 1½ miles of this location.

**11. On Site Notes and Information:**

On November 29, 2012, A BLM onsite meeting was held with Barry Hunt, Cimarex representative, Trish Badbear with the BLM, and Basin Suveys. The permitted location was approved. V-door southwest (to parallel the gas pipeline). Top soil southwest. Interim reclamation: southwest, northeast, west. Flowline from the southeast corner, east, to the battery at the #1H. Access road from the northwest corner, east, following Mewborne's proposed road, to lease road.

Operator Certification Statement

**Lynch 23 Federal Com 5H**

Cimarex Energy Co.

UL: B, Sec. 23-20S-34E

Lea County, NM

Operator's Representative

Cimarex Energy Co. of Colorado

600 N. Marienfeld St., Ste. 600

Midland, TX 79701

Office Phone: (432) 571-7800

**CERTIFICATION:** I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Executed this 20th day of February, 2013

NAME:   
Paula Brunson

TITLE: Regulatory Analyst

ADDRESS: 600 N. Marienfeld St., Ste. 600  
Midland, TX 79701

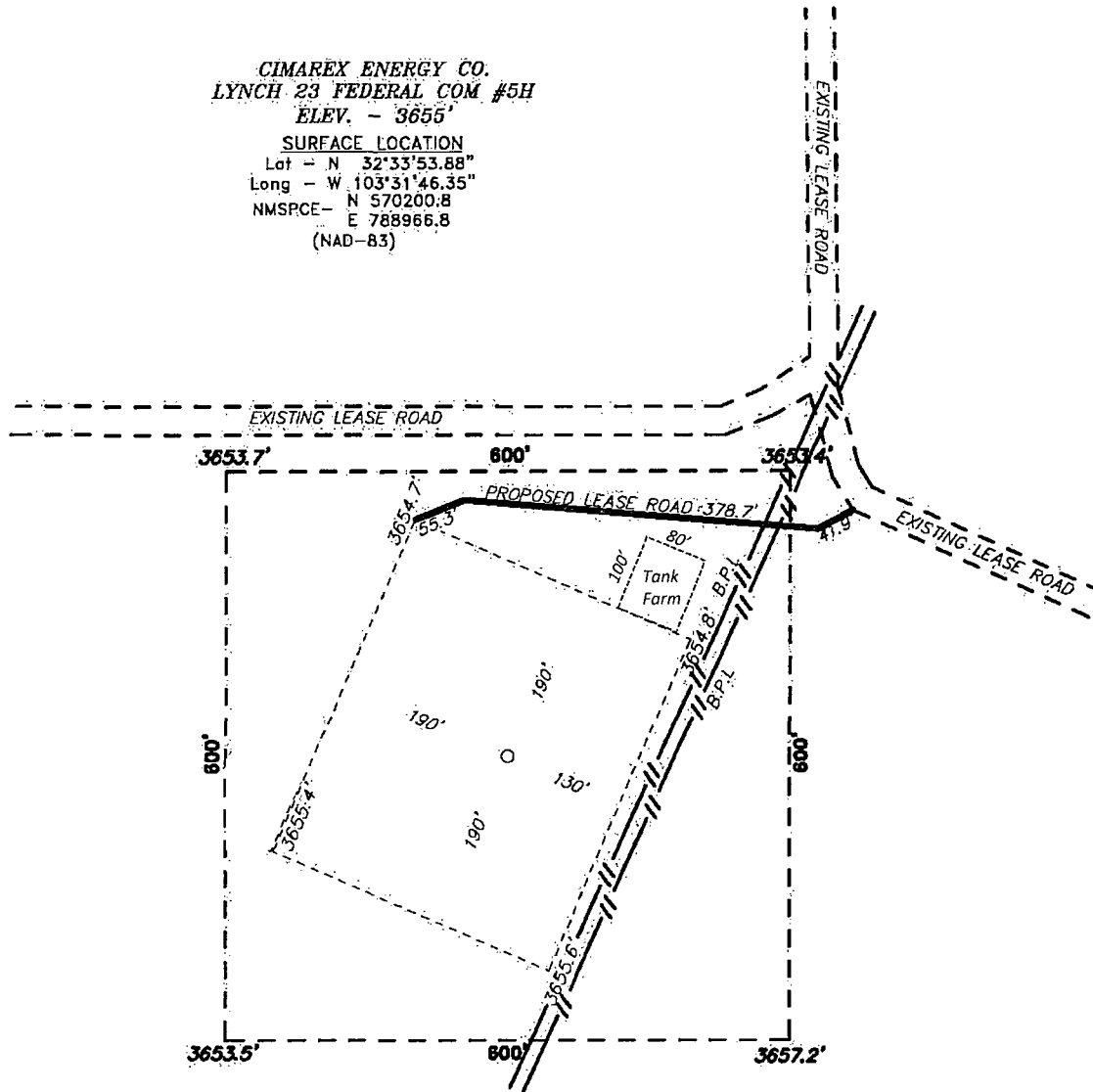
TELEPHONE: 432-571-7848

EMAIL: pbrunson@cimarex.com

Field Representative: Same as above

**SECTION 23, TOWNSHIP 20 SOUTH, RANGE 34 EAST, N.M.P.M.,  
LEA COUNTY, NEW MEXICO.**

**CIMAREX ENERGY CO.**  
**LYNCH 23 FEDERAL COM #5H**  
**ELEV. - 3655'**  
**SURFACE LOCATION**  
Lat - N 32°33'53.88"  
Long - W 103°31'46.35"  
NMSPCE- N 570200.8  
E 788966.8  
(NAD-83)



WELL IS LOCATED ABOUT 24 MILES SOUTH SOUTHWEST  
OF HOBBS NEW MEXICO

200 0 200 400 FEET  
SCALE: 1" = 200'

Directions to Location:

FROM THE INTERSECTION OF HIGHWAY 176 AND  
MARATHON ROAD GO 3.5 MILES NORTH ON  
MARATHON ROAD THEN TURN WEST ON LYNCH ROAD  
GO .4 MILES TO PROPOSED LEASE ROAD.

**Basin Surveys** P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 27752 Drawn By: **D. JONES**

Date: 12-03-2012 Disk: DAJ 27752

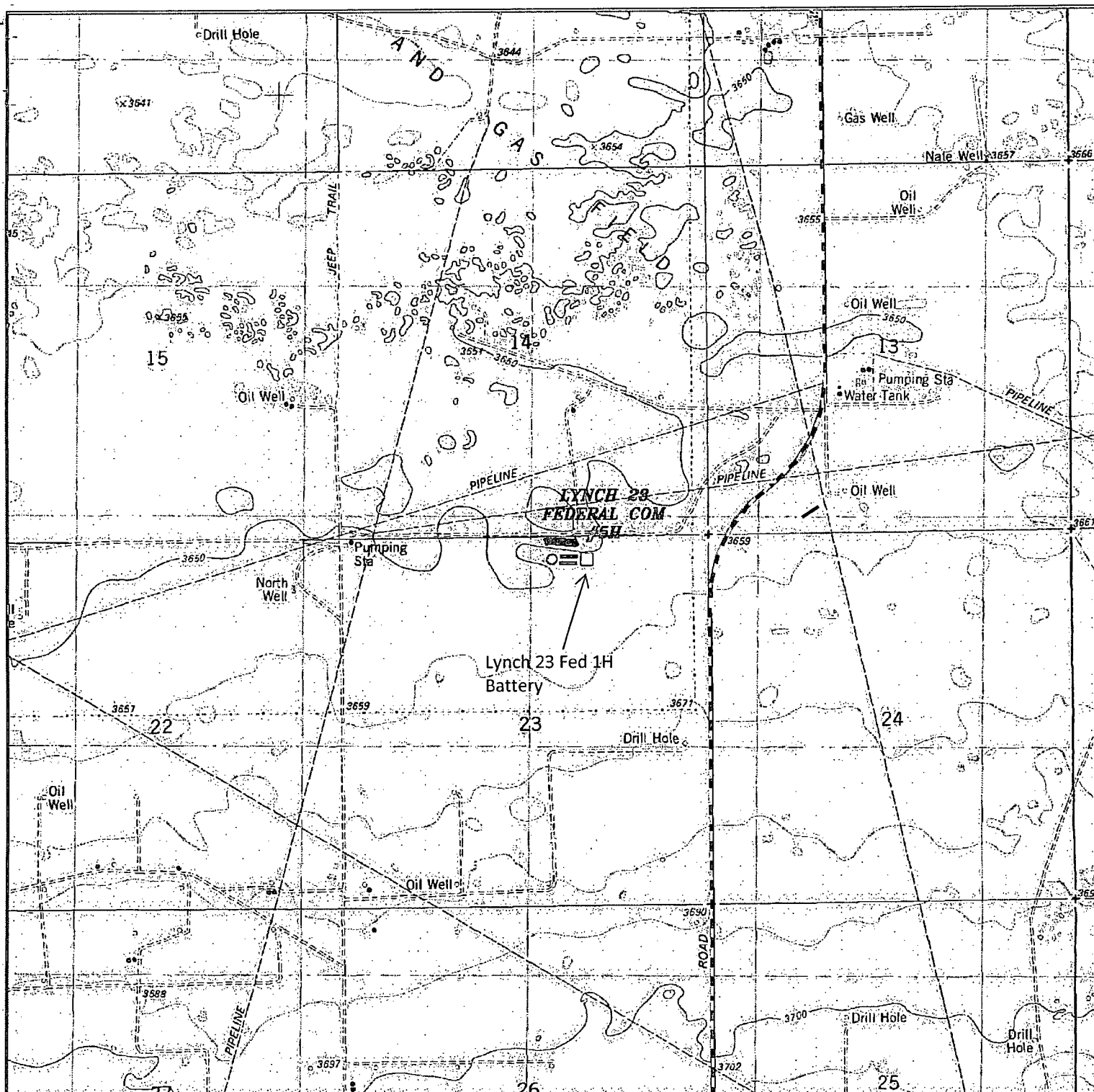
**CIMAREX ENERGY CO.**

REF: LYNCH 23 FEDERAL COM #5H / WELL PAD TOPO

THE LYNCH 23 FEDERAL COM #5H LOCATED 330'  
FROM THE NORTH LINE AND 2225' FROM THE EAST LINE OF  
SECTION 23, TOWNSHIP 20 SOUTH, RANGE 34 EAST,

N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 11-29-2012 Sheet 1 of 1 Sheets



**LYNCH 23 FEDERAL COM 5H**  
 Located 330' FNL and 2225' FEL  
 Section 23, Township 20 South, Range 34 East,  
 N.M.P.M., LEA County, New Mexico.

□ Battery  
 — Flowline  
 — E-Line

**basin**  
**surveys**  
 focused on excellence  
 in the oilfield

P.O. Box 1786  
 1120 N. West County Rd.  
 Hobbs, New Mexico 88241  
 (575) 393-7316 - Office  
 (575) 392-2206 - Fax  
 basin-surveys.com

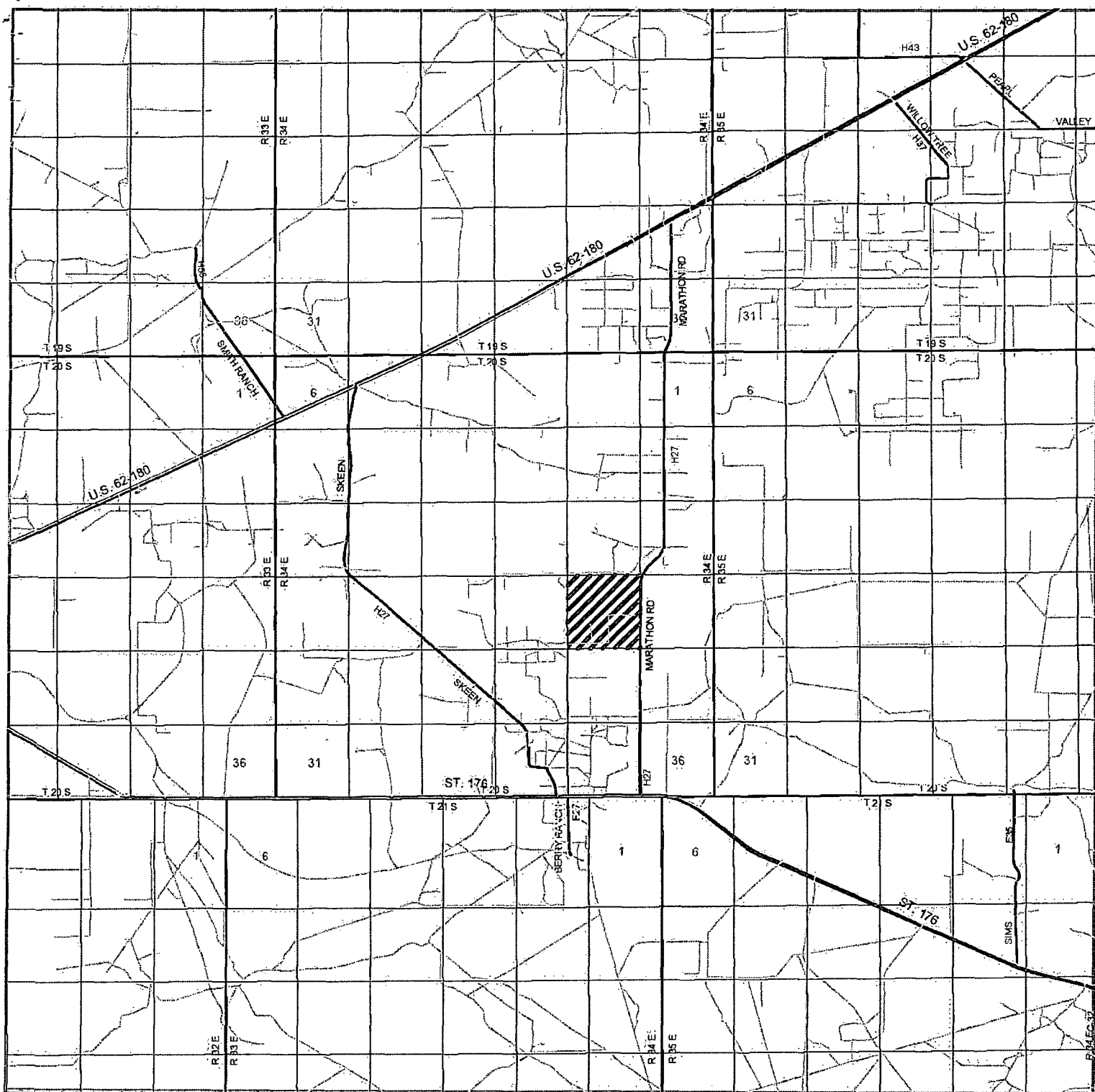
W.O. Number: DAJ 27752

Survey Date: 11-29-2012

Scale: 1" = 2000'

Date: 12-03-2012

**CIMAREX**  
**ENERGY CO.**



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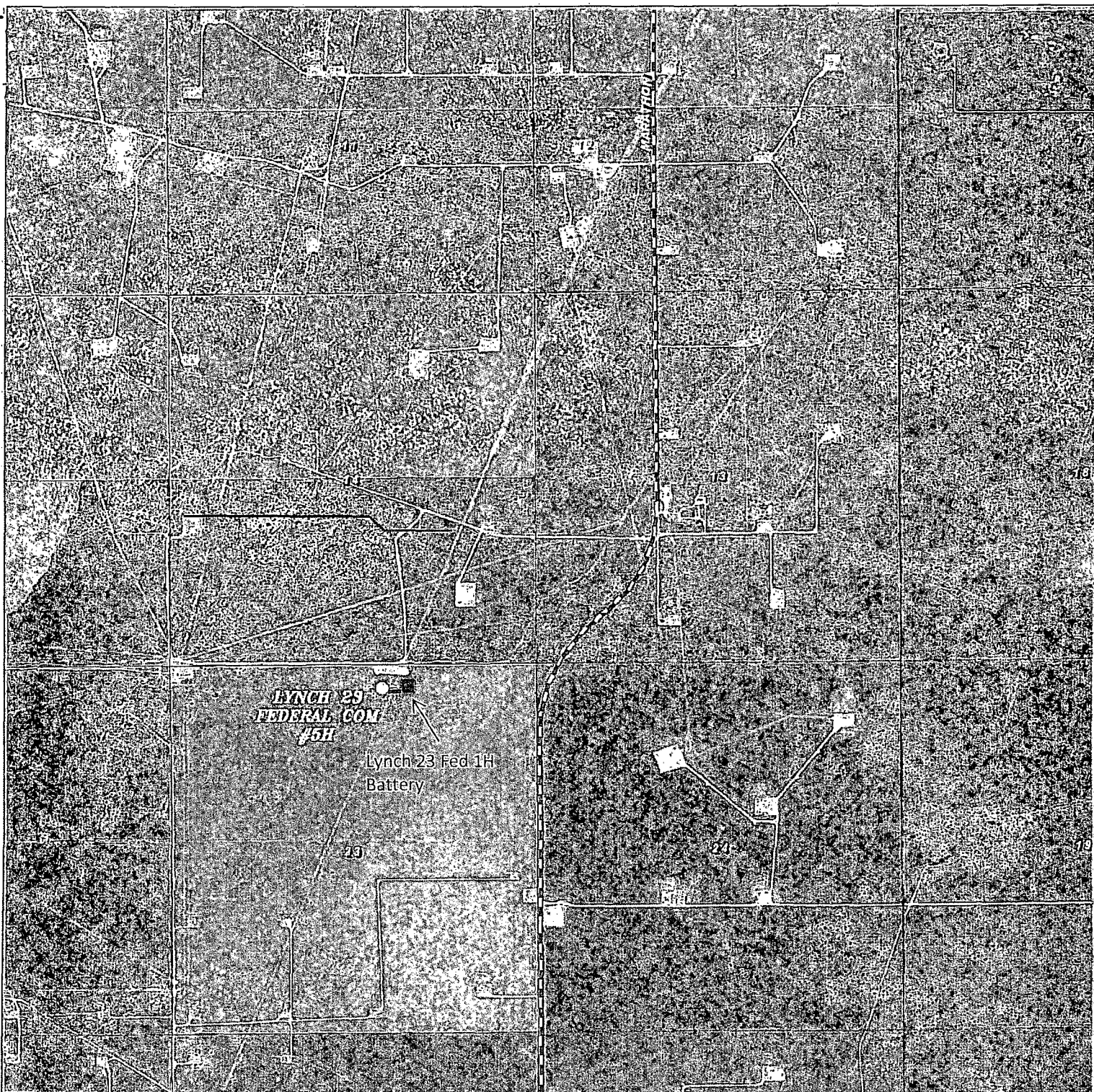
Survey Date: 11-29-2012

Scale: 1" = 2 Miles

Date: 12-03-2012

**CIMAREX**  
**ENERGY CO.**





# **LYNCH 23 FEDERAL COM 5H**

Located 330' FNL and 2225' FEL

Section 23, Township 20 South, Range 34 East,  
N.M.P.M., LEA County, New Mexico.

- ☐ Battery
- Flowline
- E-Line

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Scale: 1" = 2000'

YELLOW TINT - USA LAND  
BLUE TINT - STATE LAND  
NATURAL COLOR - FEE LAND

**CIMAREX**  
**ENERGY CO.**

Exhibit G – Flowline/E-Line Map

**Lynch 23 Federal Com 5H**

Cimarex Energy Company

23-20S-33E

SHL 330 FNL & 2225 FEL

BHL 330 FSL & 1930 FEL

Lea County, NM

**LYNCH 23  
FEDERAL COM  
5H**

Lynch 23 Fed 1H  
Battery

**LYNCH 23 FEDERAL COM 5H**

Located 330' FNL and 2225' FEL

Section 23, Township 20 South, Range 34 East,  
N.M.P.M., LEA County, New Mexico.

□ Battery

— Flowline

— E-Line

— Route from Public Access

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