

Surface Use Plan
San Jacinto 4 Federal Com 4
Cimarex Energy Co. of Colorado
UL M - Sec 4-15S-31E
Chaves County, NM

1. **Existing Roads:** Area maps: Exhibit "B" is a reproduction of Chaves 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 Mile Marker 30 of Hwy 31, go northeast on lease road for 1.5 miles to lease road. On lease road go east 0.4 miles to proposed lease road.

2. **Planned Access Roads:**

1021.9' of new on-lease access road will be built to access this well pad. Access road will remain on fee surface.

The maximum width of the driving surface will be 14'. 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. The access road route to the proposed project is depicted on the public access point map and Exhibit C-1. Improvements to the driving surface will be done when necessary. No new surface disturbance will be completed without prior approval from the BLM. The operator will prevent and abate fugitive dust as needed, whether created by vehicular traffic, equipment operations or other events.

3. **Planned Electric Line:** No E-line planned. Sundry will be submitted when route is determined.

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, a tank battery will be used and the necessary production equipment will be installed at the wellsite. Any changes to the facility will be submitted via sundry notice.

The proposed facility will have a secondary containment structure that is constructed to hold the capacity of 1-1/2 times the largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

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

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

Cimarex will use established or constructed oil and gas roads to transport water to the well site. Cimarex will use the identified access route in the surface use plan.

7. **Source of Construction Material:**

If possible, native caliche will be obtained from the excavation of drill site. The primary way of obtaining caliche will be by "turning over" the location. This means caliche will be obtained from the actual well site. A caliche permit will be obtained from BLM prior to pushing up any caliche. 2400 cu yds is the max amount of caliche needed for pad and roads. Amount will vary for each pad. The procedure below has been approved by BLM personnel:

- A. The top 6 inches of topsoil is pushed off and stockpiled along the side of the location.
- B. An approximate 120' x 120' area is used within the proposed well site to remove caliche.
- C. Subsoil is removed and piled alongside the 120' by 120' area within the pad site.
- D. When caliche is found, material will be stockpiled within the pad site to build the location and road.
- E. Then subsoil is pushed back in the hole and caliche is spread accordingly across entire location and road.
- F. Once well is drilled, the stockpiled top soil will be used for interim reclamation and spread along areas where caliche is picked up and the location size is reduced. Neither caliche nor subsoil will be stockpiled outside of the well pad. Topsoil will be stockpiled along the edge of the pad as depicted in Exhibit D -- Rig Layout Diagram.

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8. Ancillary Facilities:

- A. No camps or airstrips to be constructed.

9. 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.

10. Plans for Restoration of Surface:

Rehabilitation of the location will start in a timely manner after all drilling operations cease or within 6 months after completion of the well. The type of reclamation will depend on whether the well is a producer or a dry hole.

In areas planned for interim and final reclamation, surfacing materials (caliche) will be removed and returned to a mineral pit or recycled to repair or build roads and well pads. All unused equipment and structures including pipelines, electric poles, tanks, etc., that serviced the well will be removed for final reclamation.

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, topsoil will be evenly respread and revegetated over the entire area not needed for operations. To seed the area, the proper BLM seed mixture, free of noxious weeds, will be used. Monitoring periodically will ensure vegetation has reestablished and weeds and erosion are controlled.

11. Methods of Handling Waste

- A. Drilling fluids, produced oil, and water from the well during drilling and completion operations will be stored safely and disposed of properly in a NMOCD approved disposal facility.
B. Garbage and trash produced during drilling and completion operations will be collected in a trash container and disposed of properly at a state approved disposal facility. All trash on and around well site will be collected for disposal.
C. Human waste and grey water will be properly contained and disposed of properly at a state approved disposal site.
D. After drilling and completion operations, trash, chemicals, salts, frac sand and other waste will be removed and disposed of properly at a state approved disposal site.
E. The well will be drilled utilizing a closed loop system. Drill cuttings will be properly disposed of into steel tanks and taken to an NMOCD approved disposal facility.

12. 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 Roswell BLM office.
D. There are no known dwellings within 1½ miles of this location.

11. On Site Notes and Information:

This location had a previously approved APD which expired on December 9, 2012. Location was approved with V-door west, topsoil west.

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San Jacinto 4 Federal Com 4
Cimarex Energy Co. of Colorado
UL M - Sec 4-15S-31E
Chaves County, NM

1. **Existing Roads:** Area maps: Exhibit "B" is a reproduction of Chaves 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 Mile Marker 30 of Hwy 31, go northeast on lease road for 1.5 miles to lease road. On lease road go east 0.4 miles to proposed lease road.

2. **Planned Access Roads:** 1022' of new on-lease access road will be built to access this well pad. Access road will remain on fee surface.

3. **Planned Electric Line:** No E-line planned. Sundry will be submitted when route is determined.

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, a tank battery will be used and the necessary production equipment will be installed at the wellsite. Any changes to the facility will be submitted via 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.

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Cimarex Energy Co. of Colorado
UL M - Sec 4-15S-31E
Chaves County, NM

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 Carlsbad BLM office.
- D. There are no known dwellings within 1½ miles of this location.

11. On Site Notes and Information:

This location had a previously approved APD which expired on December 9, 2012. Location was approved with V-door west, topsoil west.

Operator Certification Statement
San Jacinto 4 Federal Com 4
Cimarex Energy Co. of Colorado
UL M - Sec 4-15S-31E
Chaves 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 25 day of June, 2013

NAME: Paula Brunson
Paula Brunson

TITLE: Regulatory Compliance

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

TELEPHONE: 432-571-7848

EMAIL: pbrunson@cimarex.com

Field Representative: Same as above

Operator - Land Owner Agreement

Company: Cimarex Energy Co.

Proposed Well: San Jacinto 4 Federal Com #4

Federal Lease Number: NMLC069832

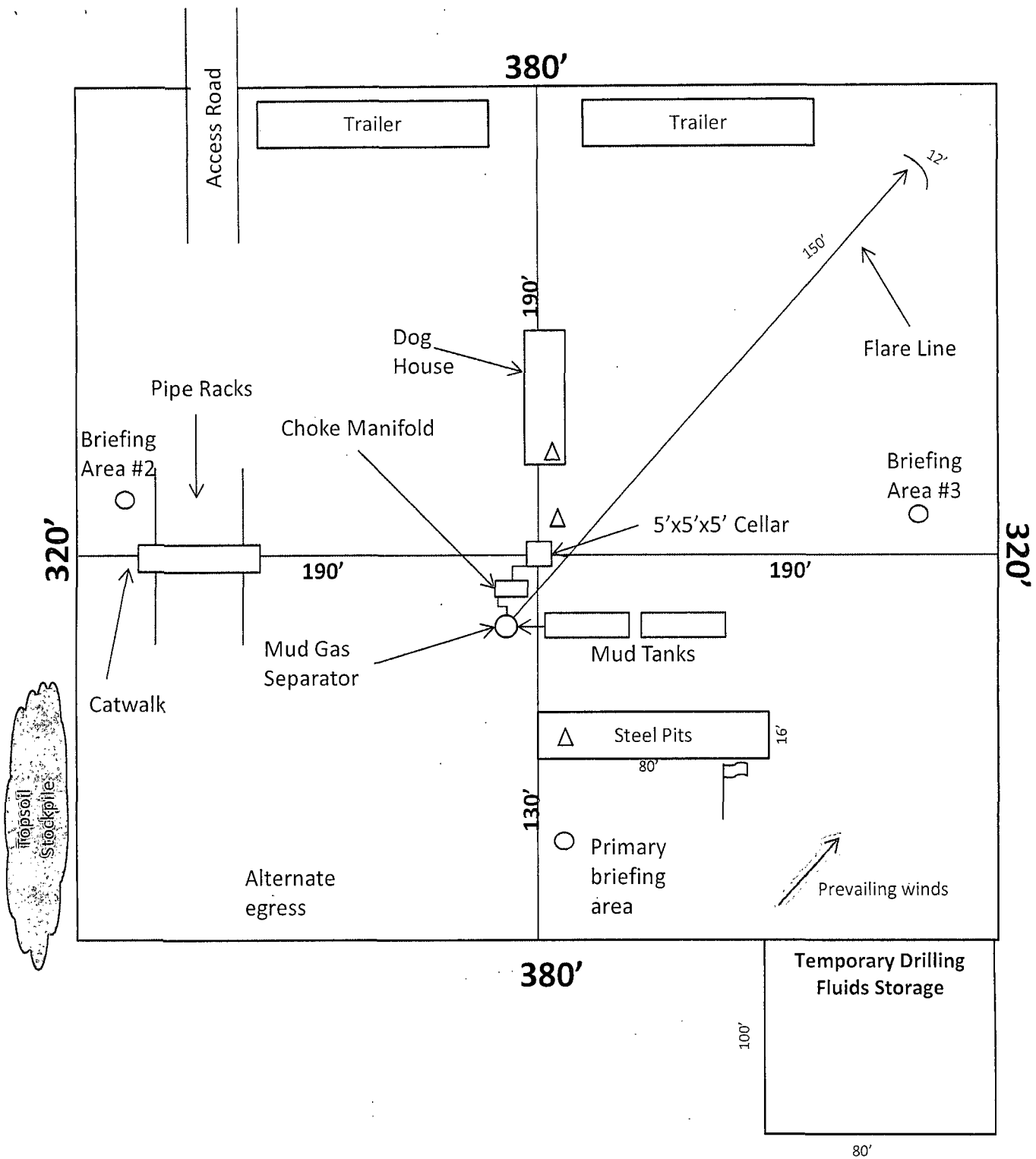
Please be advised that Cimarex Energy Co. has an agreement with the surface owner, listed below, concerning entry and surface restoration after completion of drilling operations at the above described well.

Mr. Bill Medlin
P O Box 50
Maljamar, NM 88264

After abandonment of the well, all pits will be filled and levelled and all equipment and trash will be removed from the well site. No other requirements were made concerning restoration of the well site.

10-31-13
Date


Signature Terri Stathem



Wind Direction Indicators
(wind sock or streamers)



• H2S Monitors
(alarms at bell nipple and shale shaker)



Briefing Areas



Exhibit D – Rig Layout
San Jacinto 4 Federal Com 4
 Cimarex Energy Co. of Colorado
 4-15S-31E
 SHL 330' FSL & 330' FWL
 BHL 330' FSL & 375' FEL
 Chaves County, NM

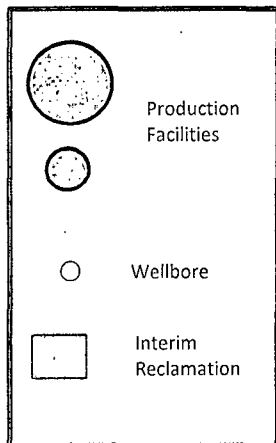
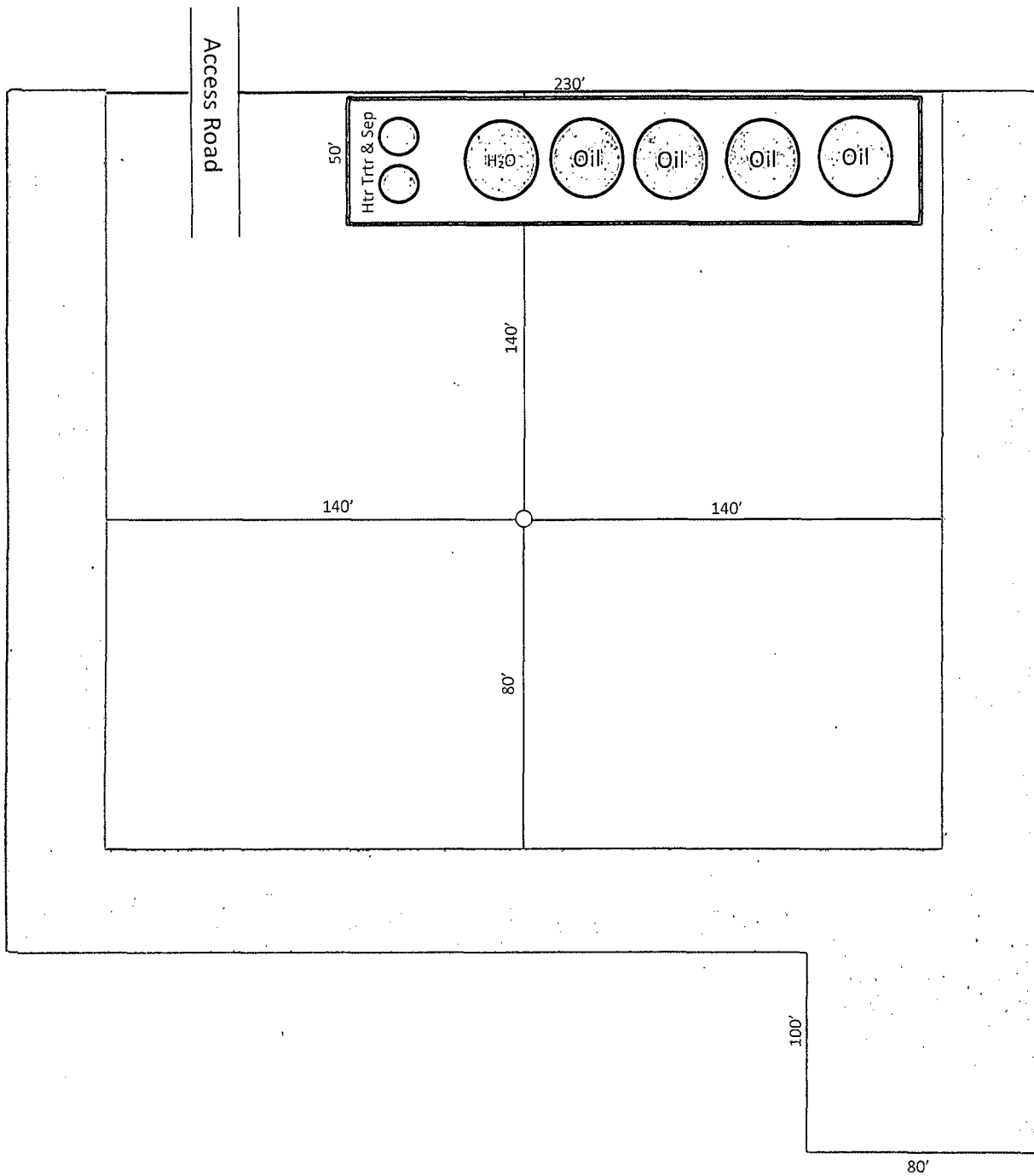


Exhibit D-1 – Production Facilities &
Interim Reclamation
San Jacinto 4 Federal Com 4
Cimarex Energy Co. of Colorado
4-15S-31E
SHL 330' FSL & 330' FWL
BHL 330' FSL & 375' FEL
Chaves County, NM

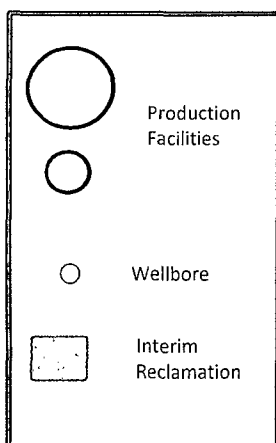
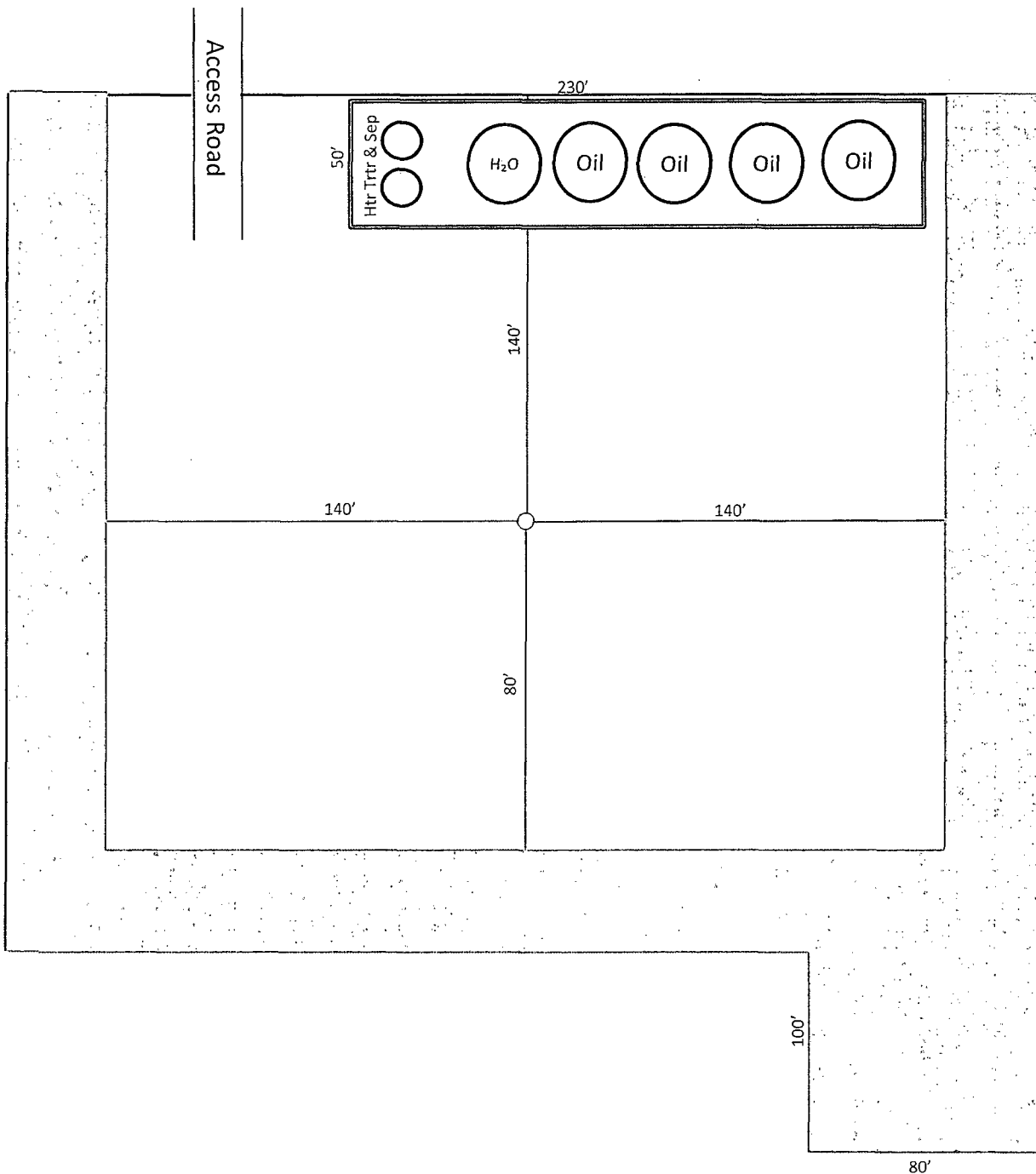


Exhibit D-1 – Production Facilities &
Interim Reclamation
San Jacinto 4 Federal Com 4
Cimarex Energy Co. of Colorado
4-15S-31E
SHL 330' FSL & 330' FWL
BHL 330' FSL & 375' FEL
Chaves County, NM

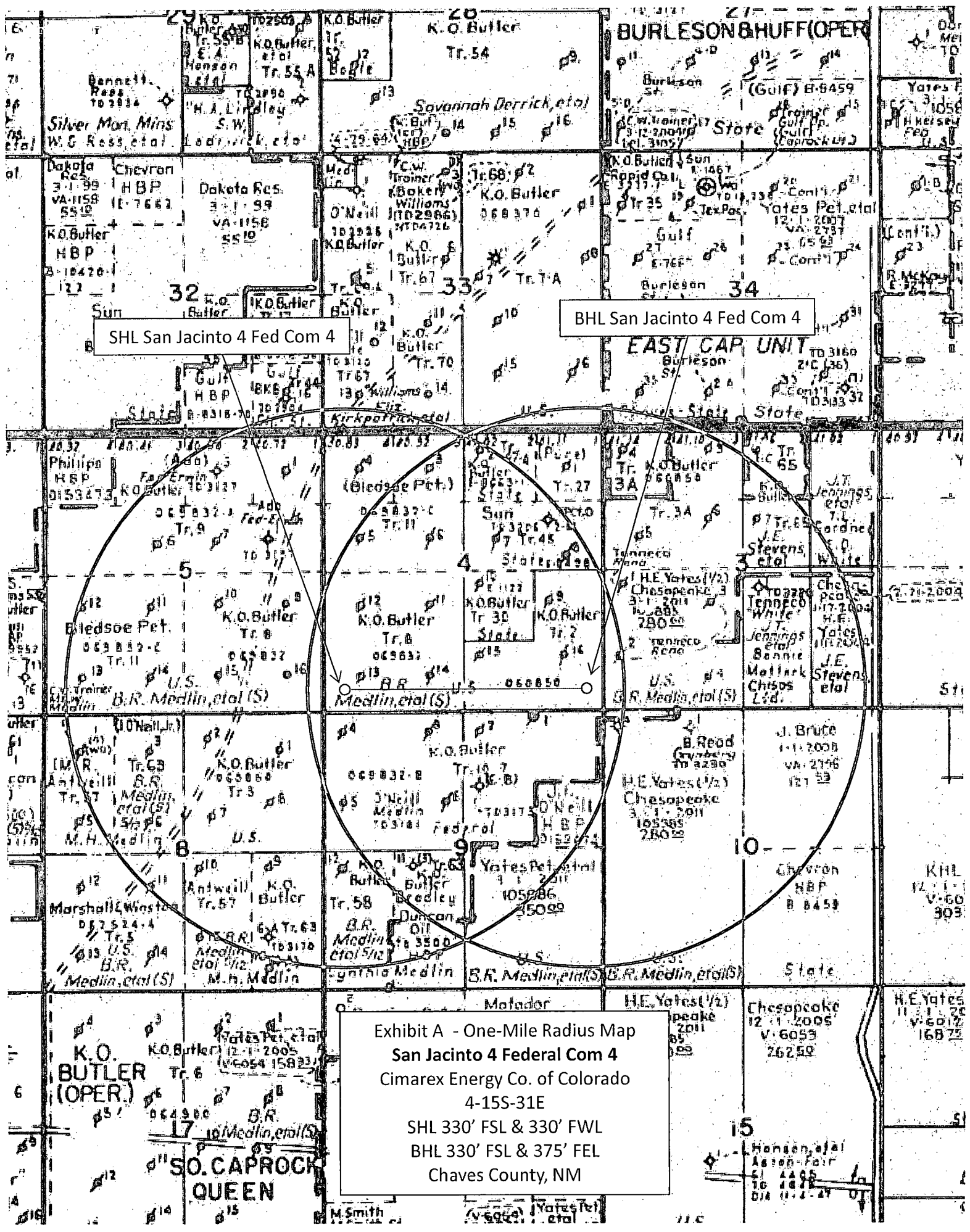
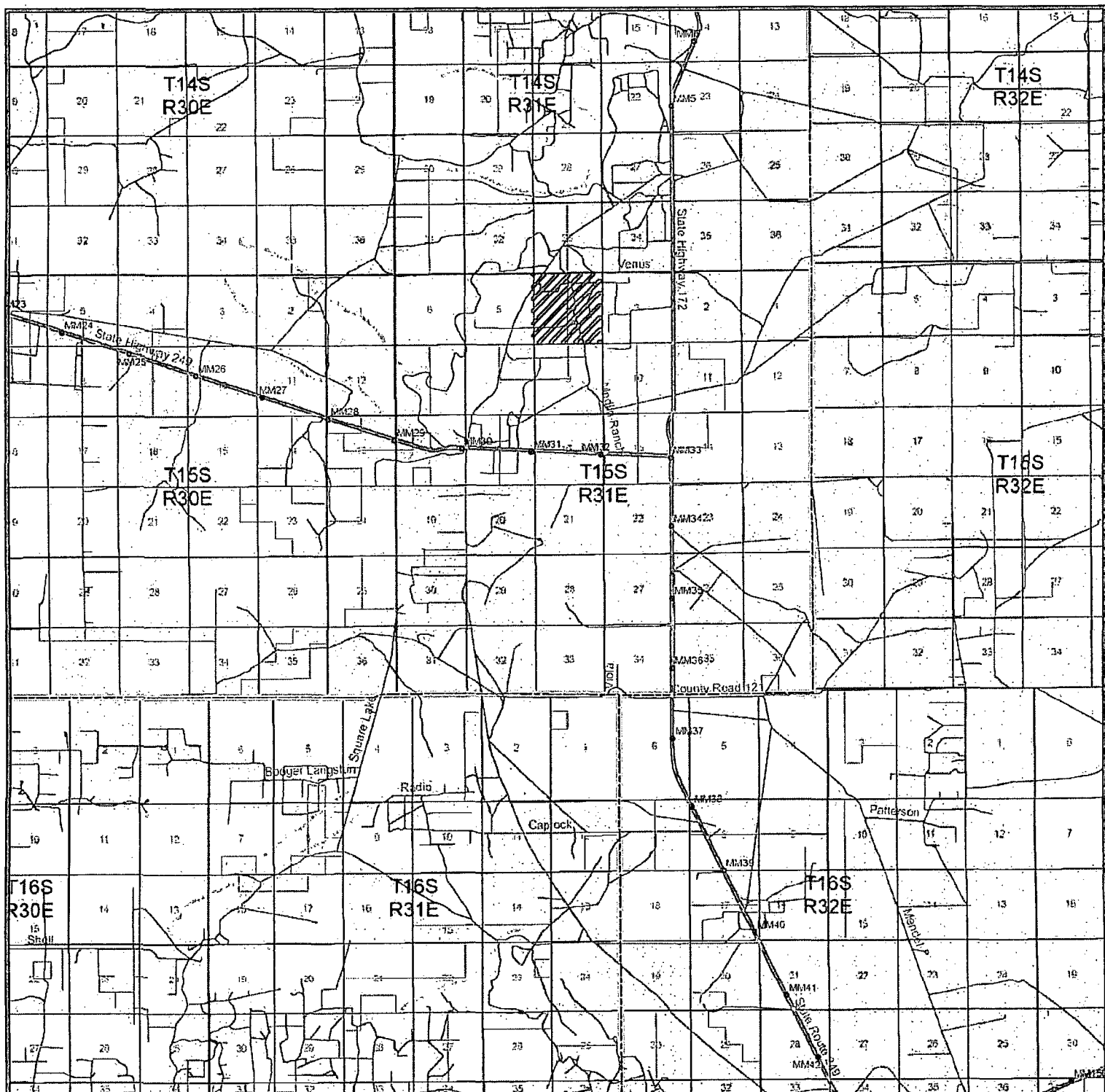


Exhibit A - One-Mile Radius Map
San Jacinto 4 Federal Com 4
Cimarex Energy Co. of Colorado
4-15S-31E
SHL 330' FSL & 330' FWL
BHL 330' FSL & 375' FEL
Chaves County, NM



SAN JACINTO "4" FEDERAL COM #4
 Located 330' FSL and 330' FWL
 Section 4, Township 15 South, Range 31 East,
 N.M.P.M., Chaves County, New Mexico.

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 in the oilfield

P.O. Box 1788
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basinsurveys.com

W.O. Number: JMS 19425

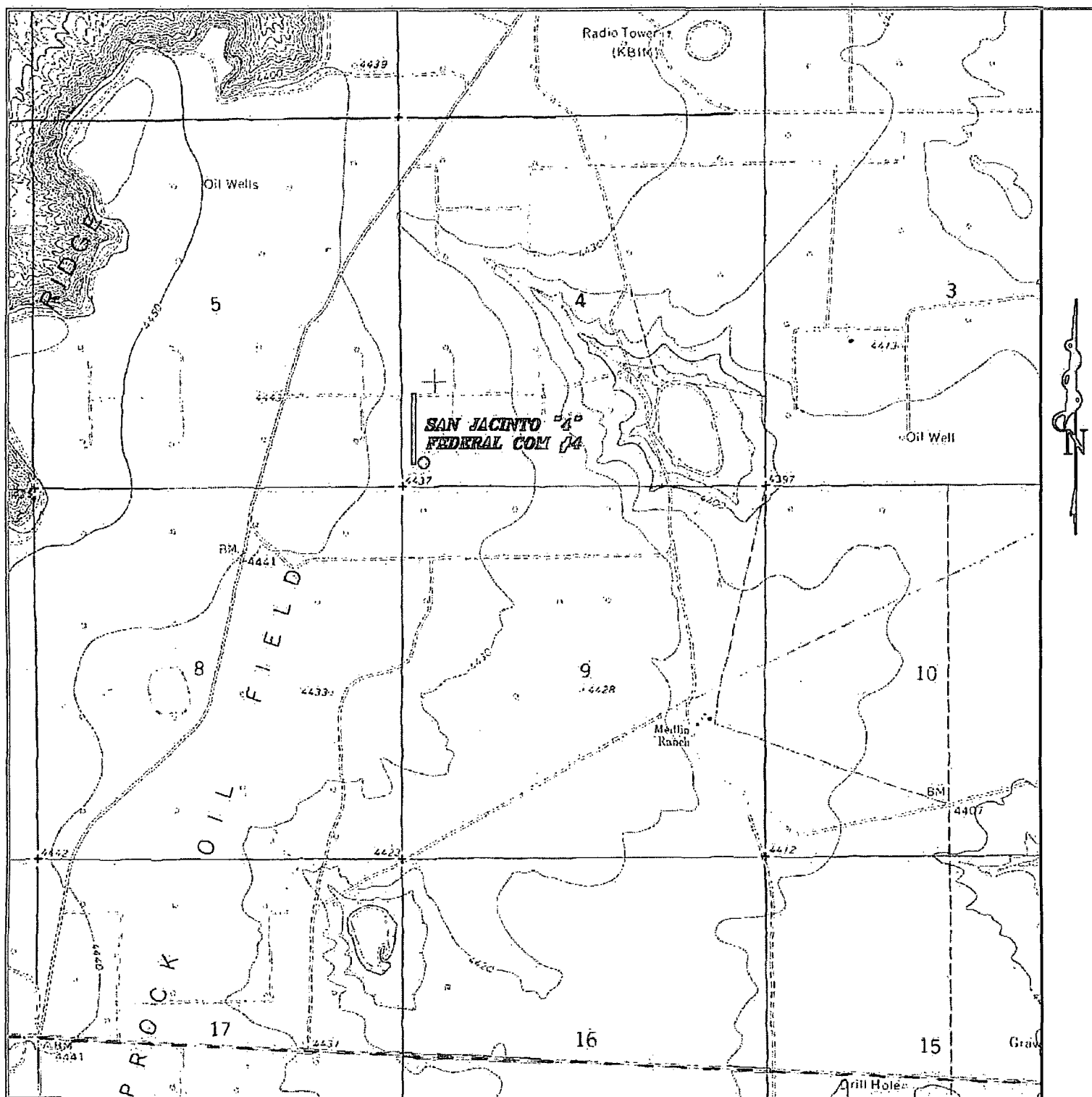
Survey Date: 05-13-2008

Scale: 1" = 2 MILES

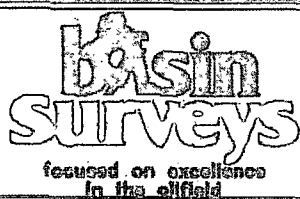
Date: 05-14-2008

CIMAREX
ENERGY CO.
OF COLORADO

Exhibit B



SAN JACINTO "4" FEDERAL COM #4
 Located 330' FSL and 330' FWL
 Section 4, Township 15 South, Range 31 East,
 N.M.P.M., Chaves County, New Mexico.



P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 382-3074 - Fax
 basinsurveys.com

W.O. Number: JMS 19425

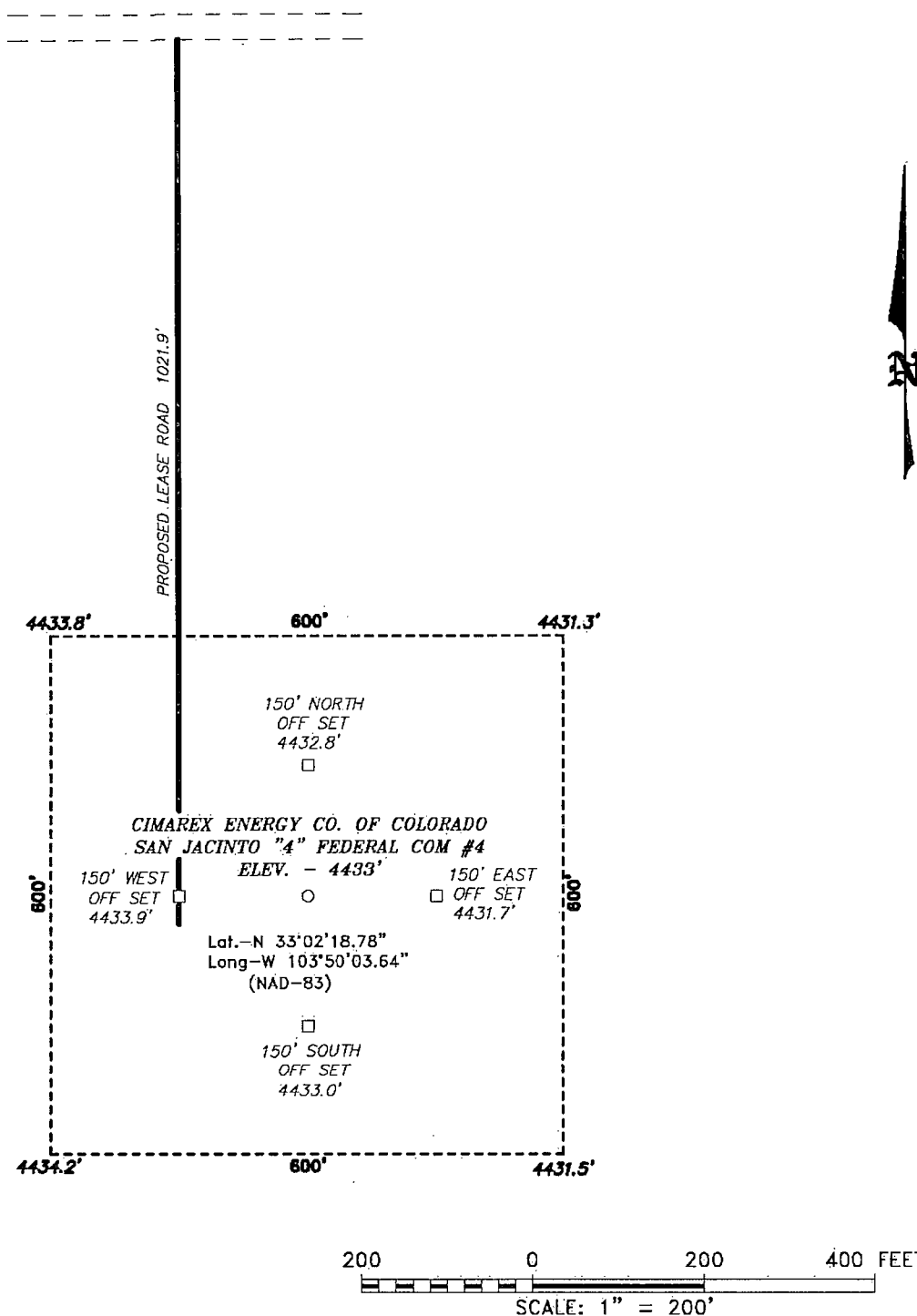
Survey Date: 05-13-2008

Scale: 1" = 2000'

Date: 05-14-2008

**CIMAREX
 ENERGY CO.
 OF COLORADO**

**SECTION 4, TOWNSHIP 15 SOUTH, RANGE 31 EAST, N.M.P.M.,
CHAVES COUNTY, NEW MEXICO.**



Directions to Location:

FROM MILE MARKER 30 OF HWY 249; GO
NORTHEAST ON LEASE ROAD FOR 1.5 MILES TO
LEASE ROAD, ON LEASE ROAD GO EAST 0.4 MILES
TO PROPOSED LEASE ROAD.

BASIN SURVEYS P.O. BOX 1786—HOBBS, NEW MEXICO

W.O. Number: 19425 Drawn By: **J. SMALL**

Date: 05-14-2008 Disk: JMS 19425

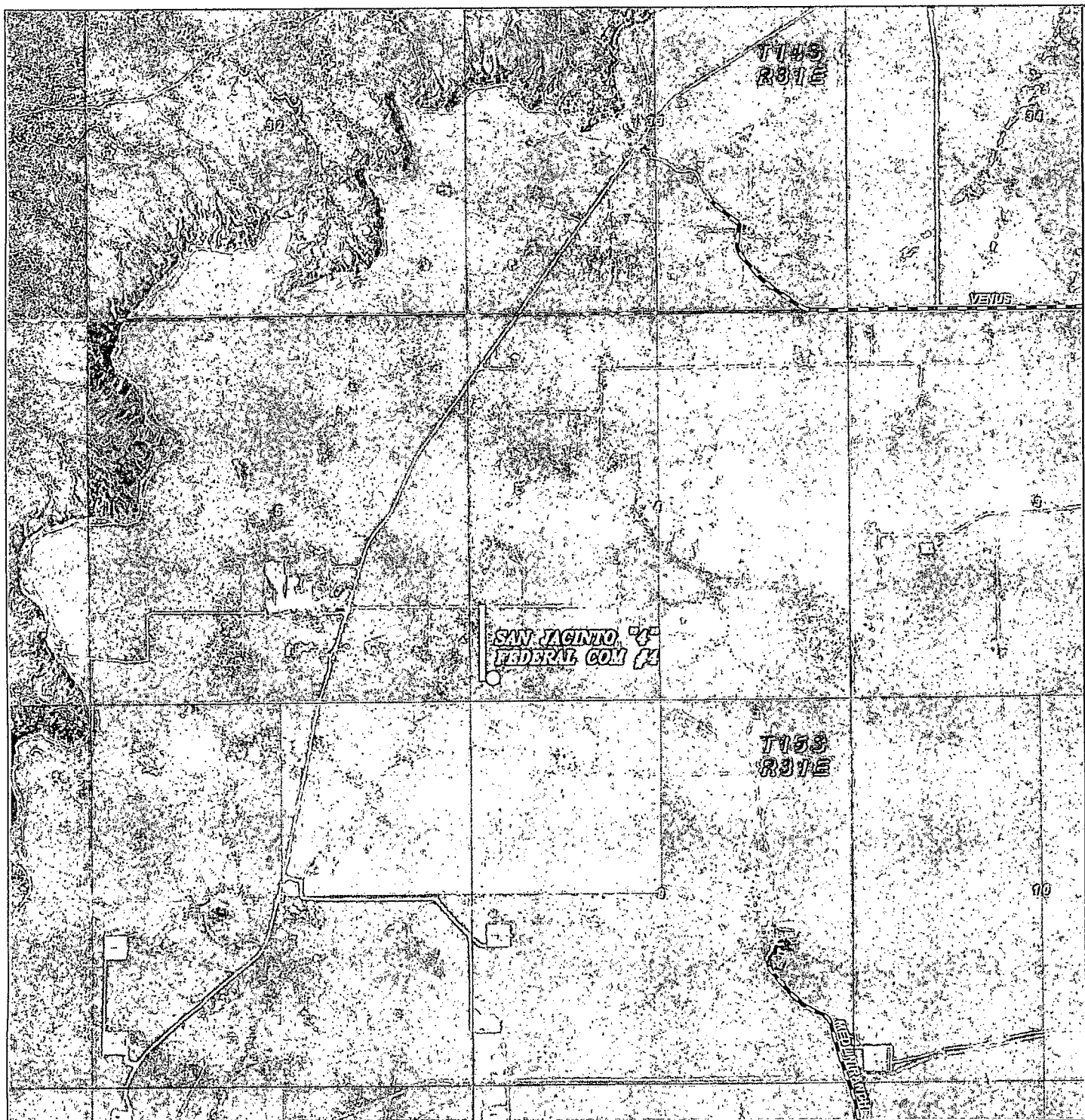
CIMAREX ENERGY CO. OF COLORADO

REF: SAN JACINTO "4" FEDERAL COM #4 / WELL PAD TOPO

THE SAN JACINTO "4" FEDERAL COM #4 LOCATED 330'
FROM THE SOUTH LINE AND 330' FROM THE WEST LINE OF
SECTION 4, TOWNSHIP 15 SOUTH, RANGE 31 EAST,
N.M.P.M., CHAVES COUNTY, NEW MEXICO.

Survey Date: 05-13-2008 Sheet 1 of 1 Sheets

Exhibit C-1



SAN JACINTO "4" FEDERAL COM #4
 Located 330' FSL and 330' FWL
 Section 4, Township 15 South, Range 31 East,
 N.M.P.M., Chaves County, New Mexico.

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 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basinsurveys.com

W.O. Number: JMS 19425

Survey Date: 05-13-2008

Scale: 1" = 2000'

Date: 05-14-2008

CIMAREX
ENERGY CO.
OF COLORADO

Existing Lease Road

1022' Proposed
Lease Road

San Jacinto 4 Fed Com 4

Public Access Point

□ Battery

Exhibit G – Lease Roads
San Jacinto 4 Federal Com 4
Cimarex Energy Co. of Colorado
4-15S-31E
SHL 330' FSL & 330' FWL
BHL 330' FSL & 375' FEL
Chaves County, NM