

1. **Existing Roads:** Area maps, Exhibit "A" shows the proposed well site as staked. 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 then road curves to east, go 1219' to proposed location.

2. **Planned Access Roads:** No new lease road is planned.

HOBBS OCD

3. **Planned Electric Line:** No new electric lines are planned.

MAY 23 2013

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" |

RECEIVED

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

If on completion this well is a producer, the tank battery at the Lynch 23 Fed Com 3H wellsite will be used and the necessary production equipment will be installed. A 4" flexpipe flowline will remain on pad to the Lynch 23 Federal Com 3H battery. Gas lift will be provided by HP poly line buried along lease road, approximately 1800', to the compressor on the Lynch 23 Federal Com 1H location.

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 west. Top soil south. Interim reclamation: east. Flowline to battery on location. No access road required.

Lynch 23 Federal Com 6H

Cimarex Energy Co.

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

Lea County, NM

Operator's Representative

Cimarex Energy Co. of Colorado

600 N. Marienfeld St., Ste. 600

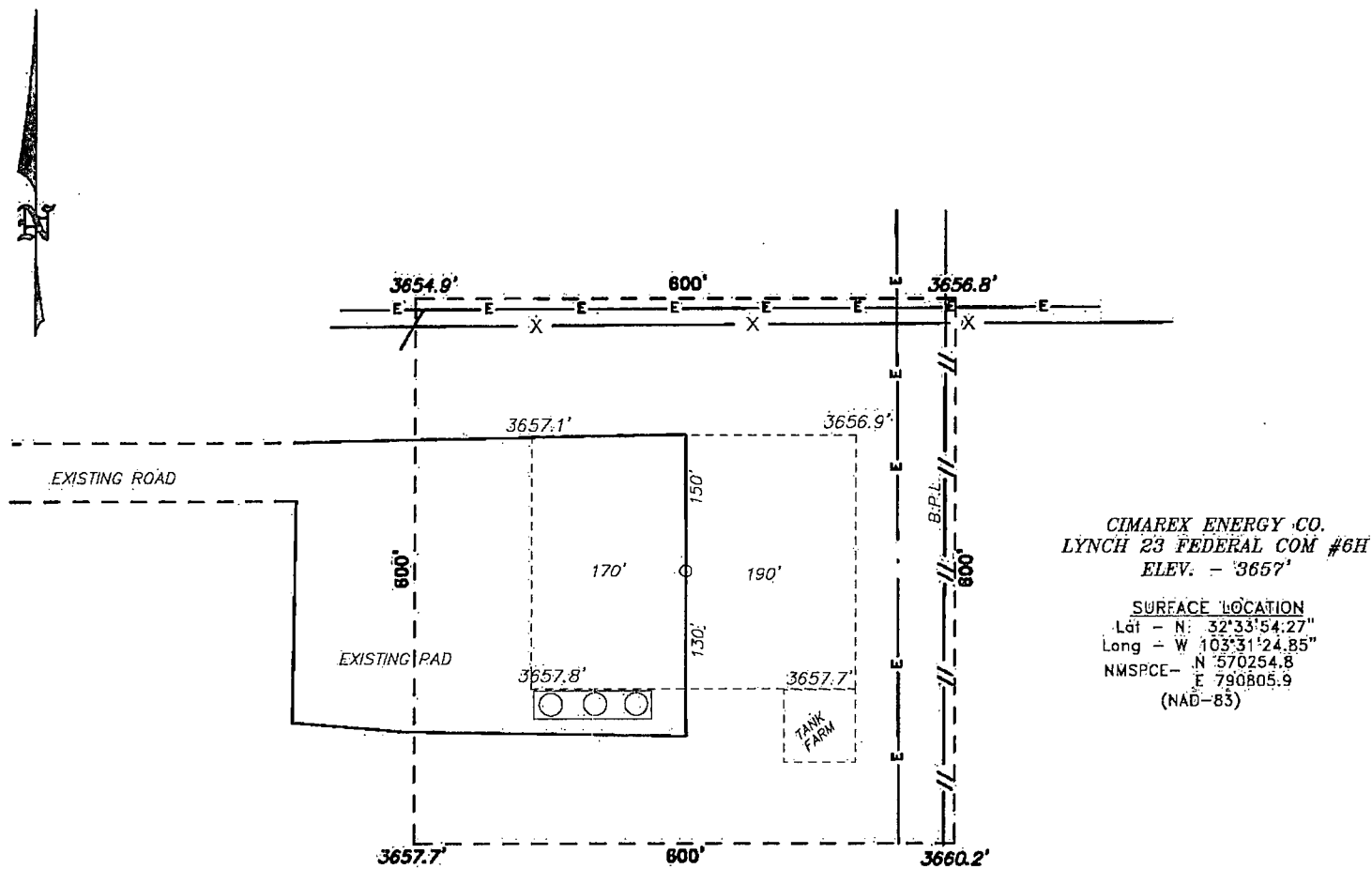
Midland, TX 79701

Office Phone: (432) 571-7800

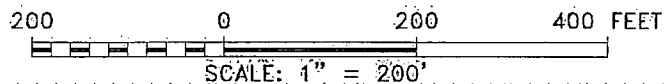
CERTIFICATION: I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements 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, 2013NAME: 
Paula BrunsonTITLE: Regulatory ComplianceADDRESS: 600 N. Marienfeld St., Ste. 600
Midland, TX 79701TELEPHONE: 432-571-7848EMAIL: pbrunson@cimarex.comField Representative: Same as above

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



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



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 THEN ROAD CURVES TO EAST GO 1219'
TO PROPOSED WELL.

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

W.O. Number: 27753 Drawn By: **D. JONES**

Date: 12-03-2012 Disk: DAJ 27753

CIMAREX ENERGY CO.

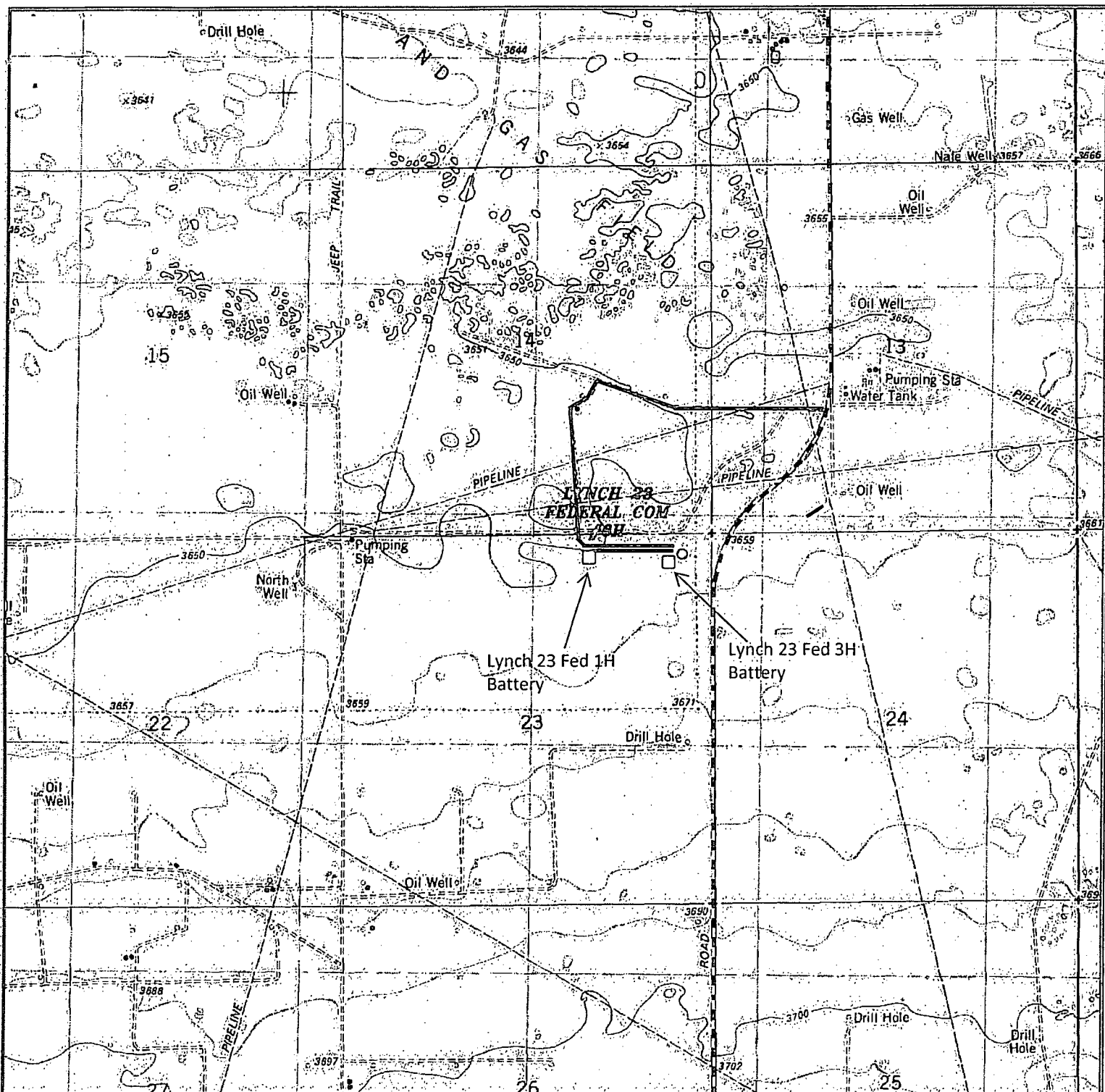
REF: LYNCH 23 FEDERAL COM #6H / WELL PAD TOPO.

THE LYNCH 23 FEDERAL COM #6H LOCATED 290'

FROM THE NORTH LINE AND 385' 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

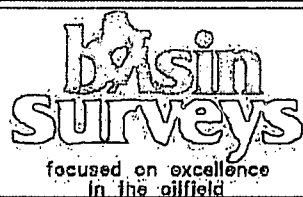


LYNCH 23 FEDERAL COM 6H

Located 290' FNL and 385' FEL

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

□ Battery
— Gas Lift



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

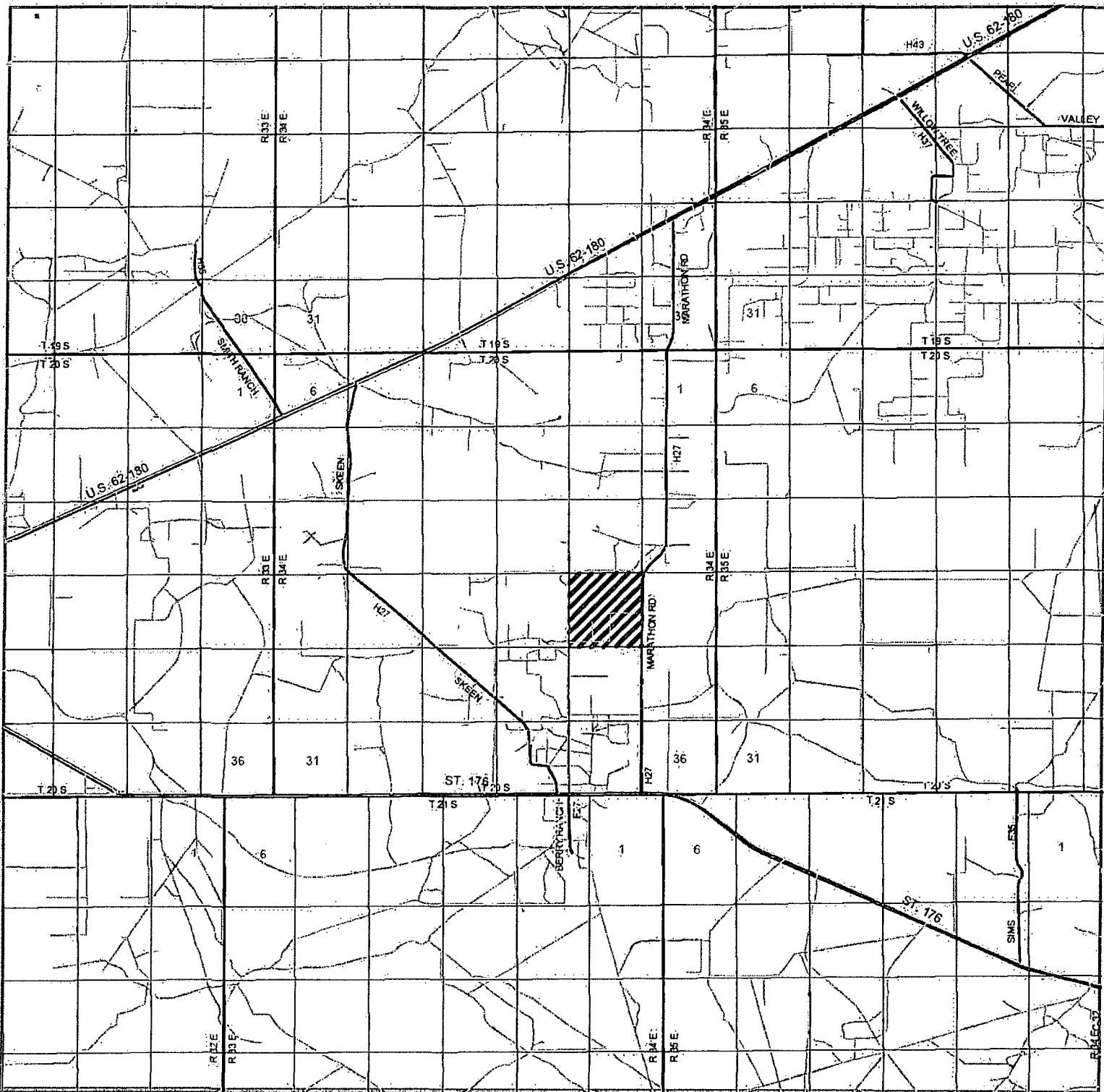
W.O. Number: DAJ 27753

Survey Date: 11-29-2012

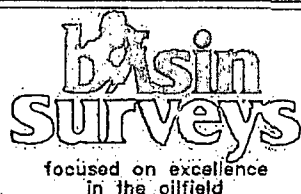
Scale: 1" = 2000'

Date: 12-03-2012

**CIMAREX
ENERGY CO.**



LYNCH 23 FEDERAL COM 6H
 Located 290' FNL and 385' FEL
 Section 23, Township 20 South, Range 34 East,
 N.M.P.M., LEA County, New Mexico.



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

W.O. Number: DAJ 27753

Survey Date: 11-29-2012

Scale: 1" = 2 Miles

Date: 12-03-2012

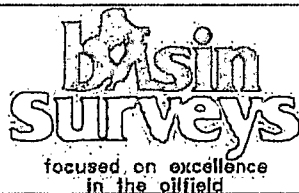
**CIMAREX
 ENERGY CO.**



LYNCH 23 FEDERAL COM 6H

Located 290' FNL and 385' FEL

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



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

W.O. Number: DAJ 27753

Scale: 1" = 2000'

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

**CIMAREX
ENERGY CO.**

