

JUL 23 2013

30-025-41363 RECEIVED

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 mile marker 18 of Hwy 128; Go SE 0.7 miles to lease road, go NE 2.3 miles turning N 0.4 miles then NW 0.3 miles, then N again 0.3 miles, turn E 0.1 miles, turning N 0.5 miles to lease road.
2. **Planned Access Roads:** Cimarex proposes to construct 450.8' of new access road.
3. **Planned Electric Line:** Excell power line is just north of the proposed wellsite. Cimarex will intercept the existing electric line coming from the North side of the well site. The proposed overhead electric line to the Excell power line would be approximately 30' in length. One 40' pole, 480 volt, 4 wire, 3 phase.
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 James Federal #20H. Cimarex proposes to install two (2) 4" buried HP poly lines down existing lease road to carry oil, gas, water to the James Federal #20H tank battery approximately 2740' to West. The route of the flowlines will be buried 25' to 35' South of the access road. MAOP 1500 psi anticipated working pressure 200-300 psi. Gas lift will be provided by HP poly line buried in the same trench along access road. Allocation will be based on well test. Any changes to flowline route 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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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. In lieu of an archaeological survey report, Cimarex will be submitting an MOA application for this well pad and access road since they are within the MOA boundary.
- D. There are no known dwellings within 1½ miles of this location.

11. On Site Notes and Information:

On March 7, 2013, A BLM onsite meeting was held with Barry Hunt, Cimarex representative, Amanda Lynch with the BLM, and Basin Suveys. The permitted location was approved. Location moved 105 ft. north to avoid old reserve pit to the south, road and power line to the east and primary power line to the north. V-Door East. Top soil East. All 4 sides reclamation. Access road from the southeast corner south to adjacent lease road.

Operator Certification Statement

James Federal #22H

Cimarex Energy Co. of Colorado

UL: A, Sec. 29-23S-32E

Lea County, NM

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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 1st day of April, 2013

NAME: 

TITLE: Regulatory Compliance

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

TELEPHONE: 432-571-7848

EMAIL: tstathem@cimarex.com

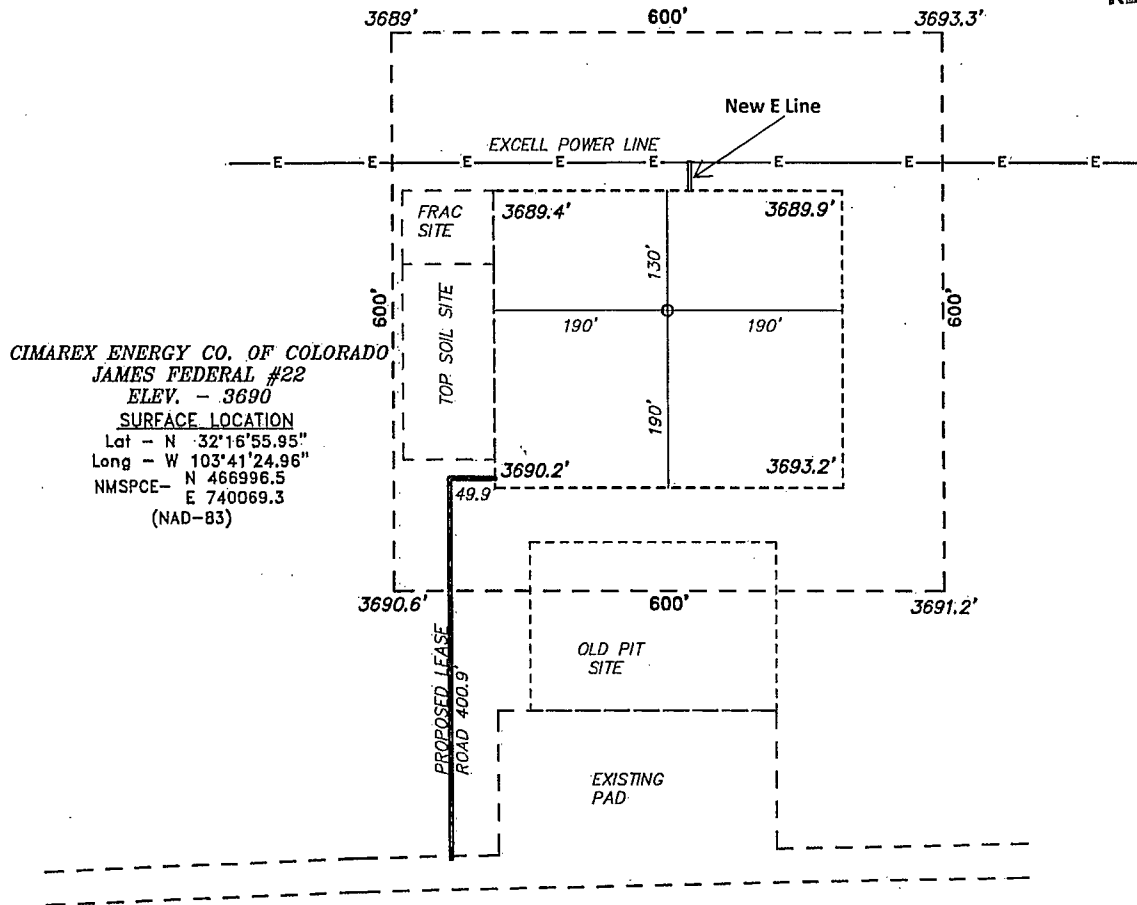
Field Representative: Same as above

SECTION 29, TOWNSHIP 23 SOUTH, RANGE 32 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.

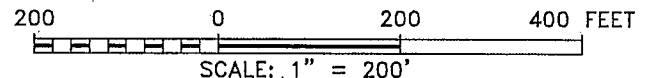
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LOVING NM IS APPROXIMATELY 23 MILES WEST OF LOCATION.



CIMAREX ENERGY CO. OF COLORADO

REF: JAMES FEDERAL #22H/ WELL PAD TOPO

THE JAMES FEDERAL #22H LOCATED 185'

FROM THE NORTH LINE AND 660' FROM THE EAST LINE OF

SECTION 29, TOWNSHIP 23 SOUTH, RANGE 32 EAST,

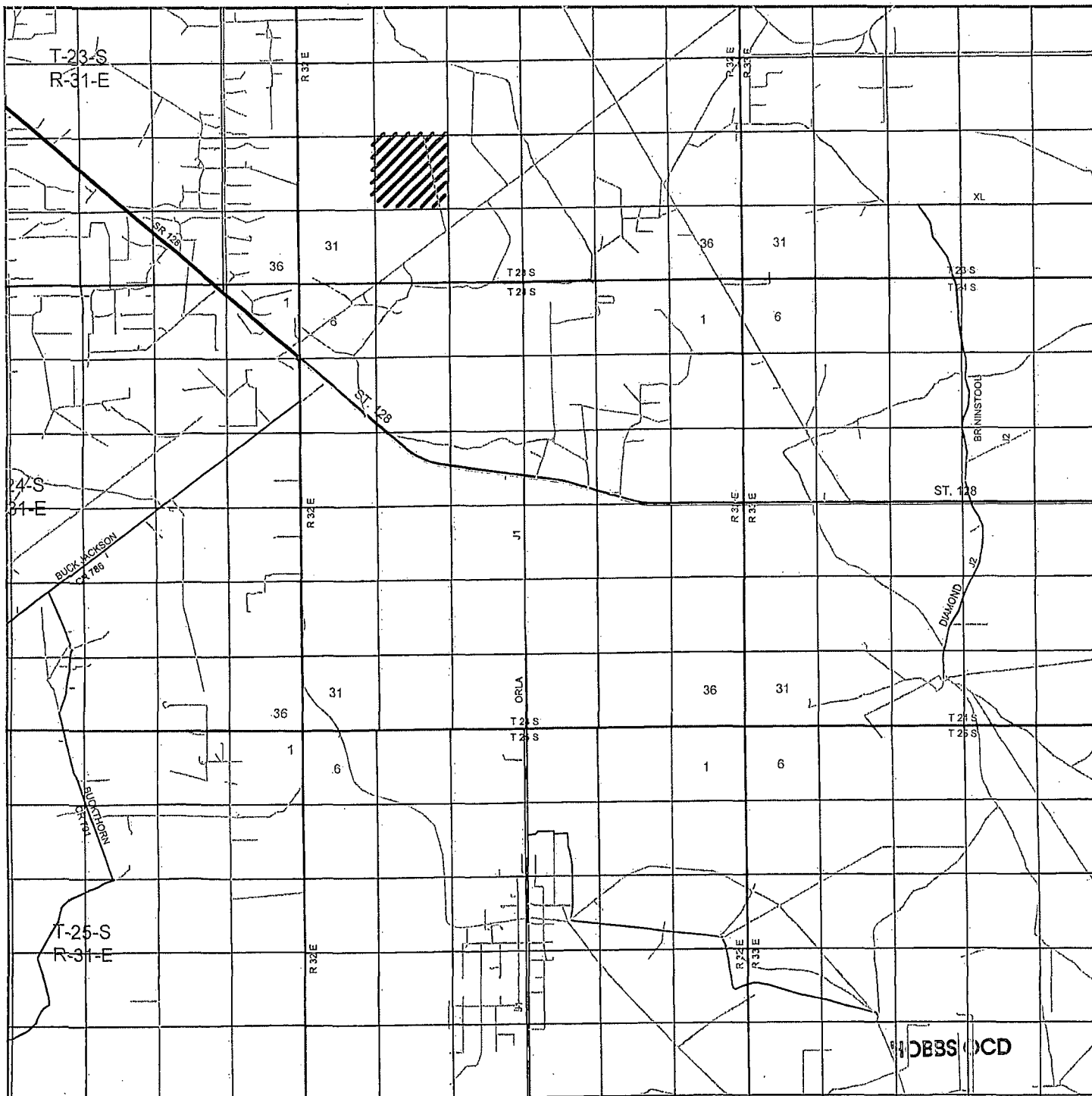
N.M.P.M., LEA COUNTY, NEW MEXICO.

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

W.O. Number: 28248 Drawn By: D. JONES

Date: .03-13-2013 Disk: DAJ 28248

Survey Date: 03-07-2013 Sheet 1 of 1 Sheets.



JAMES FEDERAL 22H

Located 185' FNL and 660' FEL
Section 29, Township 23 South, Range 32 East,
N.M.P.M., LEA County, New Mexico.

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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
basinsurveys.com

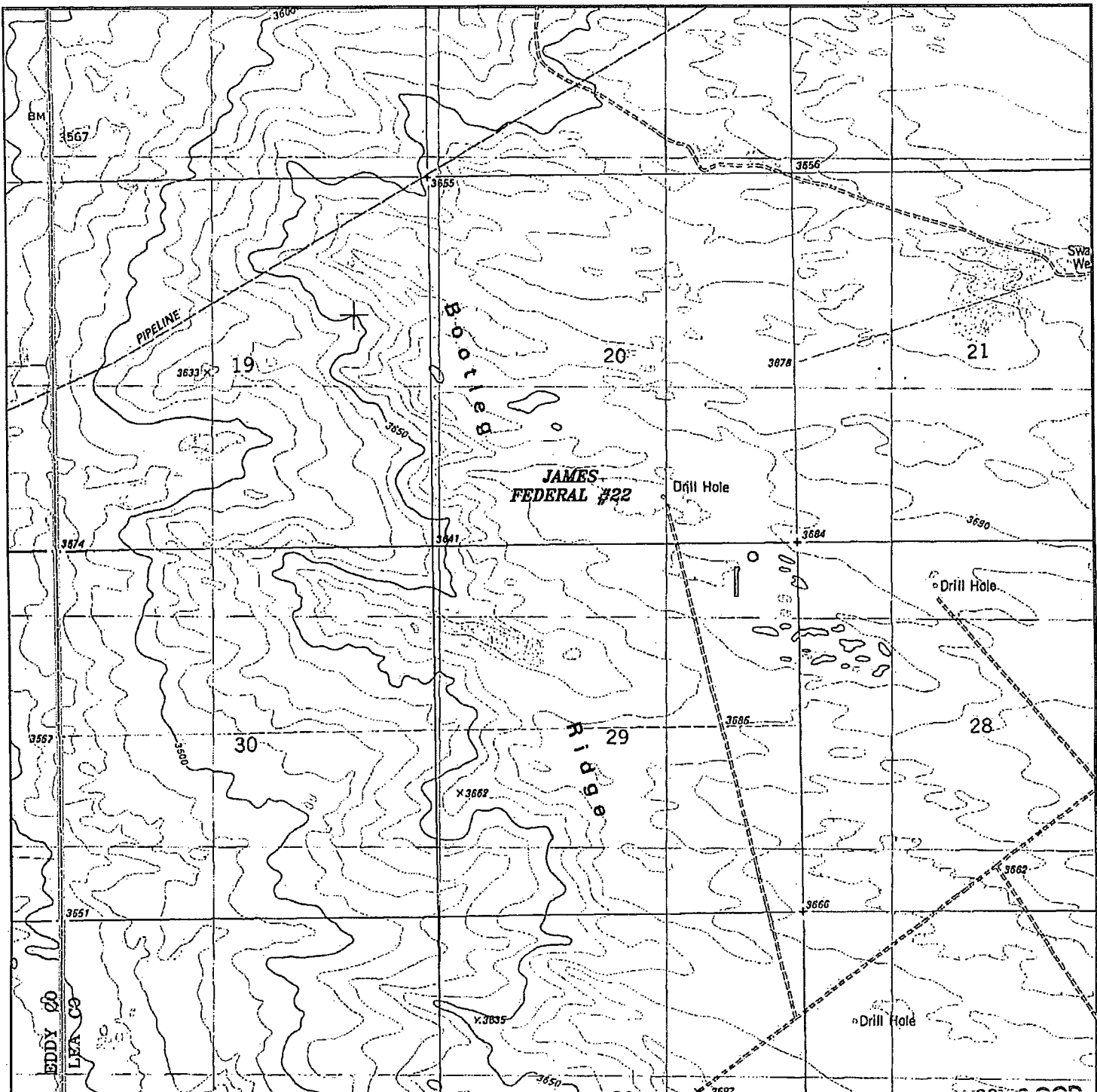
W.O. Number: DAJ 28248

Survey Date: 03-07-2013

Scale: 1" = 2 Miles

Date: 03-13-2013

CIMAREX
ENERGY CO.
OF COLORADO



JAMES FEDERAL 22H

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Section 29, Township 23 South, Range 32 East,
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W.O. Number: DAJ 28248

Survey Date: 03-07-2013

Scale: 1" = 2000'

Date: 03-13-2013

**CIMAREX
ENERGY CO.
OF COLORADO**

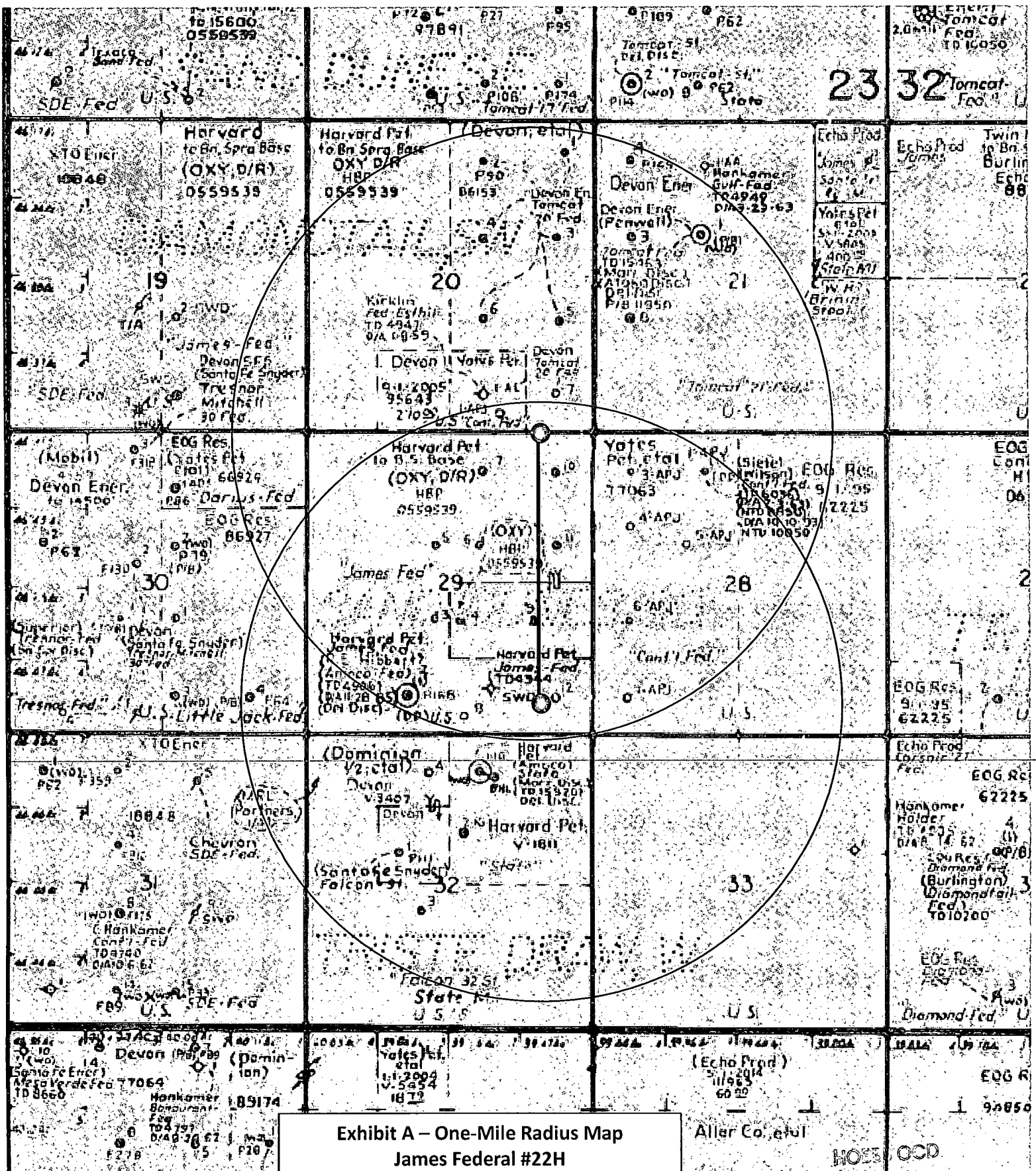


Exhibit A – One-Mile Radius Map

James Federal #22H

Cimarex Energy Co. of Colorado

29-23S-32E

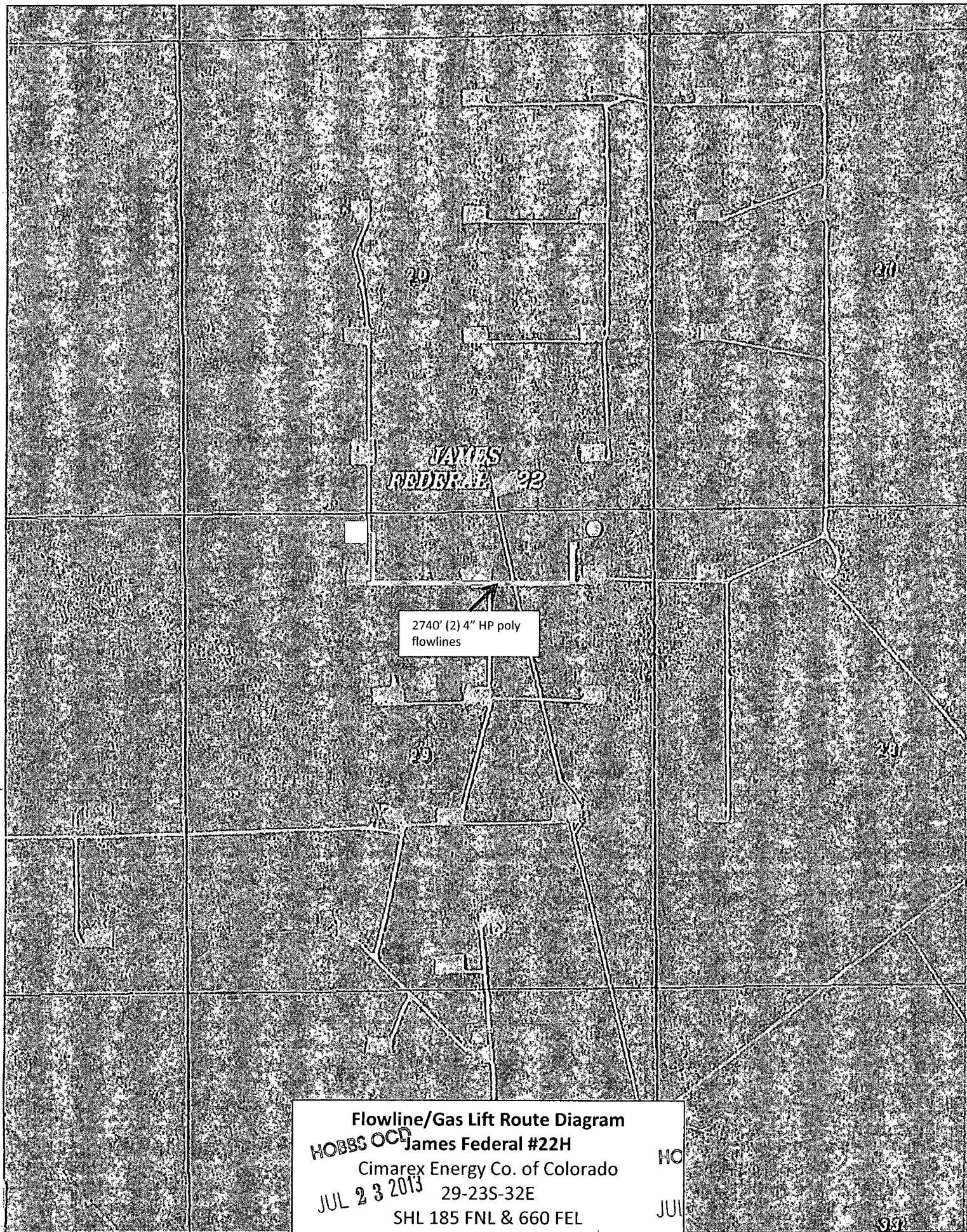
SHL 185 FNL & 660 FEL

BHL 330 FSL & 660 FEL

Lea County, NM

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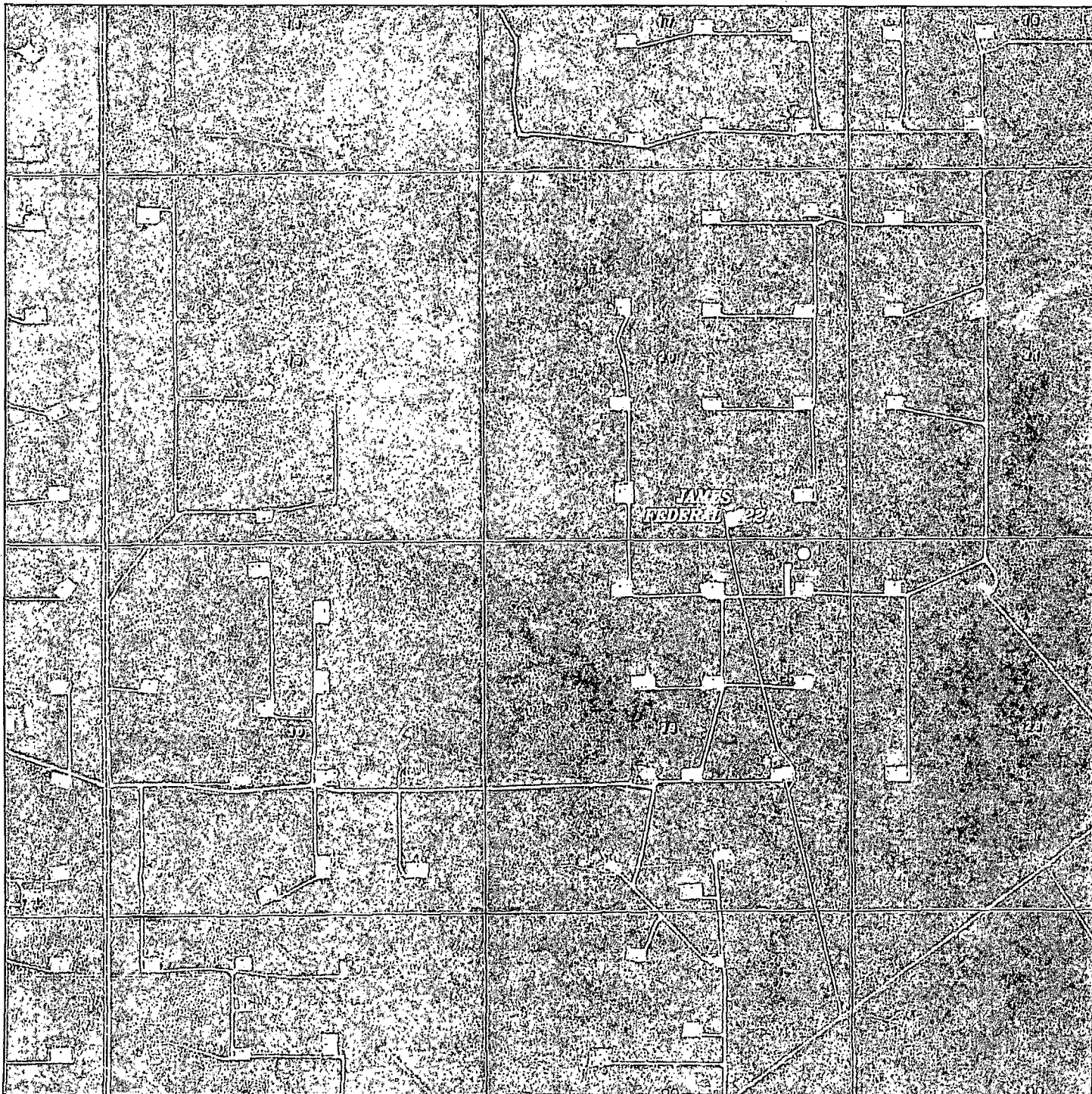


Flowline/Gas Lift Route Diagram
James Federal #22H
Cimarex Energy Co. of Colorado
29-23S-32E
SHL 185 FNL & 660 FEL
BHL 330 FSL & 660 FEL
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Flowline Route
Battery



JAMES FEDERAL 22H

HOBBS OGD

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Section 29, Township 23 South, Range 32 East,
N.M.P.M., LEA County, New Mexico.

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Scale: 1" = 2000'

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



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