Surface Use Plan

Dos Equis 11 Federal Com 2

Cimarex Energy Co. of Colorado

UL: D, Sec. 11, 24S, 32E Lea Co., NM

30-825-41420

- 1. <u>Existing Roads:</u> 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. At mile marker 22 on Higway 128 go North on lease road 2 1/4 miles to proposed lease road.
- 2. Planned Access Roads: Cimarex plans to construct 737.5' of new access road to service the Dos Equis 11 Fed Com #2 well.

3. Planned Electric Line:

Cimarex plans to install an overhead electric line from the proposed well to an existing overhead electric line at the Dos Equis 11 Fed #1 wellsite. The proposed electric line route is located off lease and a ROW has been filed with the BLM. No other Elines planned.

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

HOBBS OCD

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"

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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 Dos Equis 11 Federal 1 battery. Route is off lease and a ROW has been submitted to the BLM.

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 porduction 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 January 30, 2013, A BLM onsite meeting was held with Barry Hunt, Cimarex representative, Trish Badbear with the BLM. and Basin Suveys. The permitted location was approved. Location moved 330 ft. east due to gas pipeline & 100 ft. west. V-Door North. Top soil east, construct berm along the west and northwest portion of pad. Interim reclamation: All sides. Access road from the southeast corner, east, to the #1.

Operator Certification Statement

Dos Equis 11 Federal Com 2

Cimarex Energy Co. of Colorado

UL: D, Sec. 11, 24S, 32E

Lea Co., NM

<u>Dperator's Representative</u> Dimarex Energy Co. of Colorado 500 N. Marienfeld St., Ste. 600

Midland, TX 79701

Executed this

Office Phone: (432) 571-7800

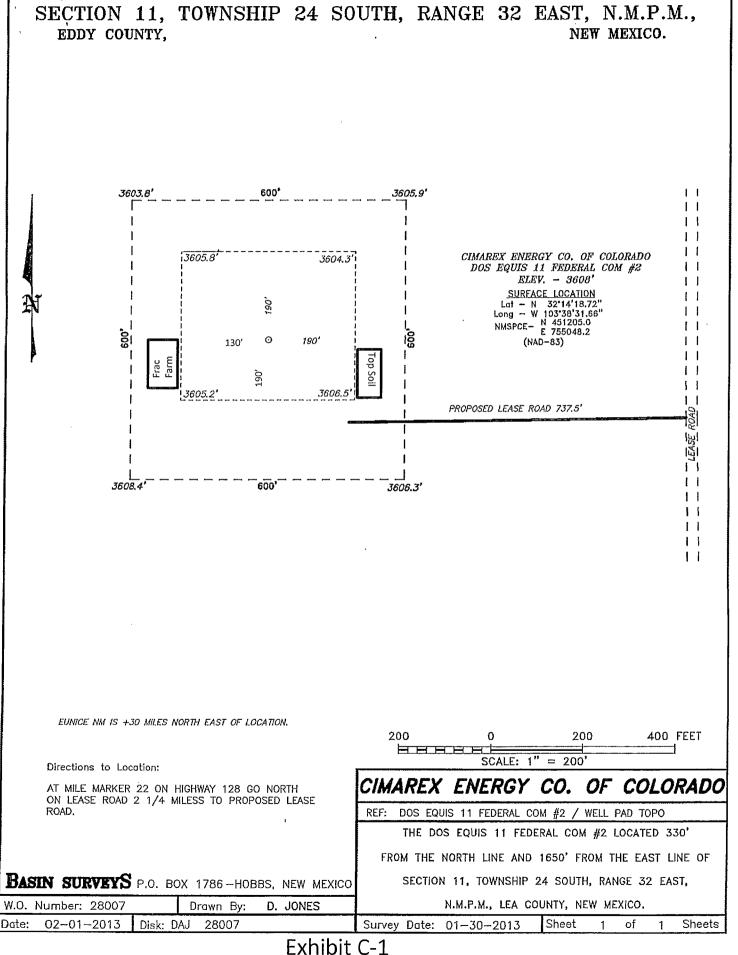
CERTIFICATION: I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements 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.

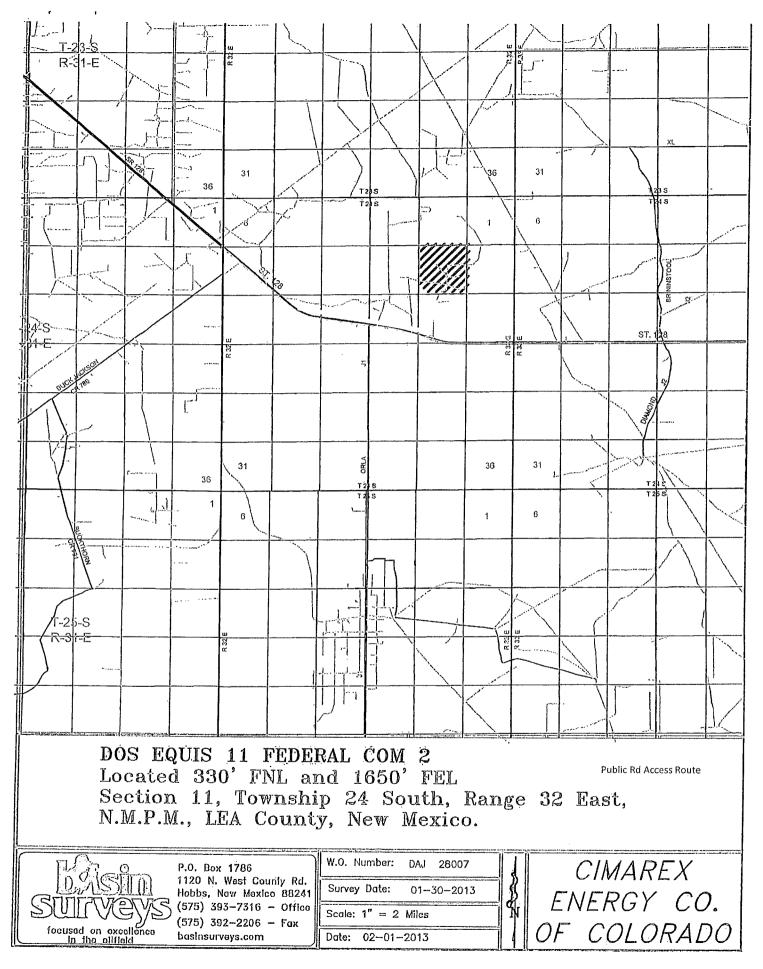
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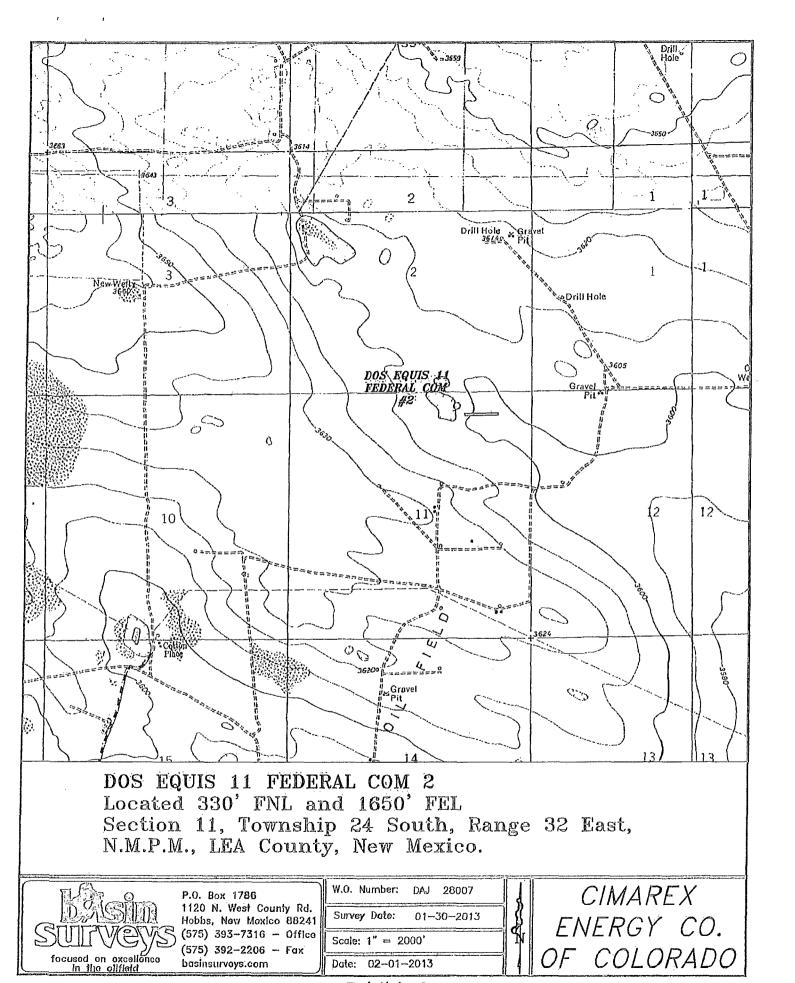
NAME: NOR Waus
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FITLE: Regulatory Compliance
ADDRESS: 600 N. Marienfeld St., Ste. 600
Midland, TX 79701
TELEPHONE: 432-571-7848
EMAIL: hknauls@cimarex.com
Field Representative: Same as above

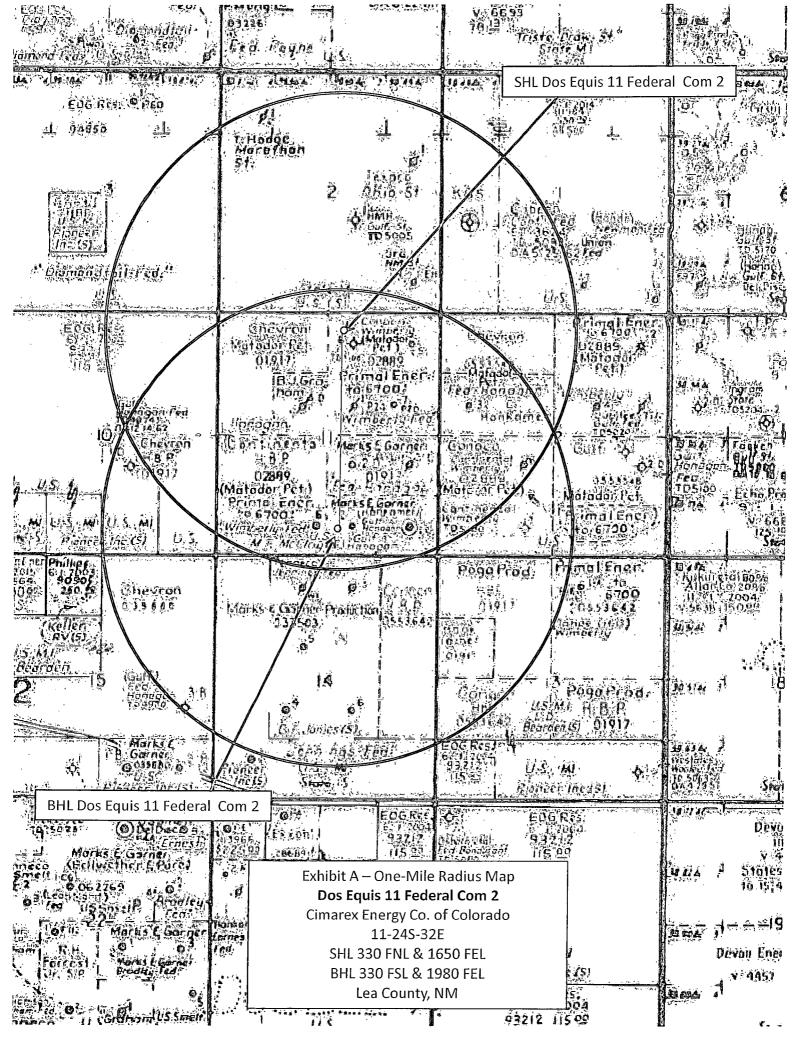
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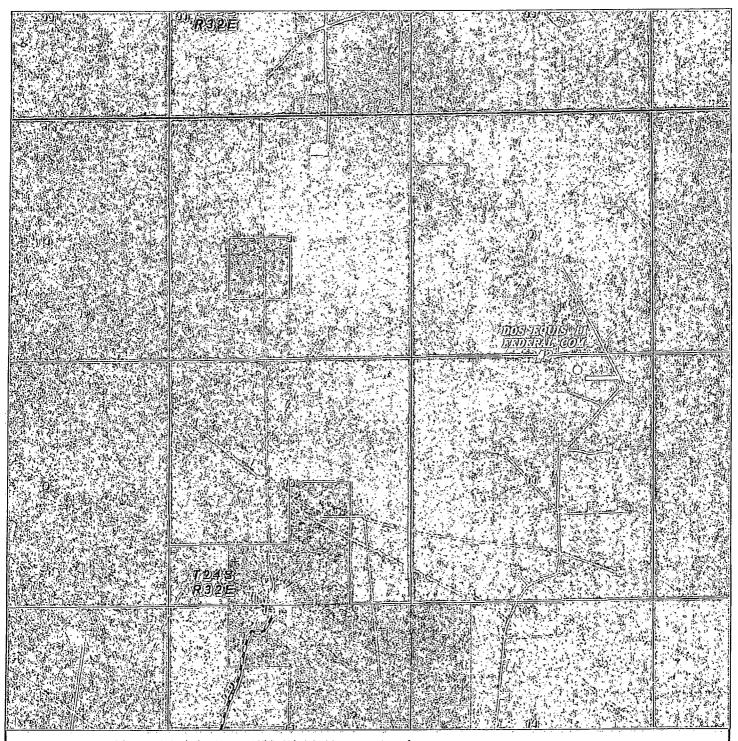
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DOS EQUIS 11 FEDERAL COM 2. Located 330' FNL and 1650' FEL Section 11, Township 24 South, Range 32 East, N.M.P.M., LEA County, New Mexico.



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico B8241 (575) 393-7316 — Office (575) 392-2206 — Fax basinsurveys.com W.O. Number: DAJ 28007

Scale: 1" = 2000'

YELLOW TINT — USA LAND BLUE TINT — STATE LAND NATURAL COLOR — FEE LAND CIMAREX ENERGY CO. OF COLORADO