

Surface Use Plan
Fuggles 24 Federal Com 1H
Cimarex Energy Co.
UL: D, Sec. 24, 25S, 32E
Lea Co., NM

30-025-41596

The following surface use plan of operations will be followed and carried out once the APD is approved. No other disturbance will be created other than what is submitted in this surface use plan without approval. If any other disturbance is needed after the APD is approved, a BLM approved sundry notice or right of way application will be submitted for approval prior to any new surface disturbance.

1. Existing Roads:

Area maps: Exhibit "B" - reproduction of Eddy Co. General Highway Map. Exhibit "C" - reproduction of a USGS Topographic Map. Exhibit "C-1" - well site layout map. Exhibits "C," "C-1" - existing roads map.

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.

Existing access road route to the proposed project is depicted on the public access point map if applicable. Improvements to the driving surface will be done where necessary. No new surface disturbance will be done, unless otherwise noted in the New or Reconstructed Access Roads section of the surface use plan.

From the Junction of Orla and Cotton Draw, go east on Cotton Draw for 2.6 miles to lease road. On lease road go South 0.1 miles to proposed lease road.

If existing roads are used, the operator will improve or maintain existing roads in a condition the same as or better than before the operations began. The operator will repair pot holes, etc. All existing structures on the entire access route such as cattle guards, other range improvement projects, culverts, etc. will be properly repaired or replaced if they are damaged or have deteriorated beyond practical use.

The operator will prevent and abate fugitive dust as needed, whether created by vehicular traffic, equipment operations, or other events.

2. New or Reconstructed Access Roads:

A new road will be constructed for this project.

Cimarex Energy plans to construct 2905.8' of off-lease access road to service the well. The proposed access road does cross lease boundaries, a right of way grant will be submitted to and obtained from the BLM.

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.

New 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 where necessary. No new surface disturbance will be done 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 new electric lines are planned.

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

- Water Wells - None known
- Disposal Wells - None known
- Drilling Wells - None known
- Producing Wells - As shown on Exhibit A
- Abandoned Wells - As shown on Exhibit A

JAN 15 2014

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5. Location of Existing or 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.

6. Location and Type of Water Supply:

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

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:

- The top 6 inches of topsoil is pushed off and stockpiled along the side of the location.
- An approximate 120' x 120' area is used within the proposed well site to remove caliche.
- Subsoil is removed and piled alongside the 120' by 120' area within the pad site.
- When caliche is found, material will be stockpiled within the pad site to build the location and road.
- Then subsoil is pushed back in the hole and caliche is spread accordingly across entire location and road.
- 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.

In the event that no caliche is found onsite, caliche will be hauled in from a BLM-approved caliche pit.

8. Methods of Handling Waste

- 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.
- 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.
- Human waste and grey water will be properly contained and disposed of properly at a state approved disposal site.
- 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.
- 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.

9. Ancillary Facilities:

No camps or airstrips to be constructed.

10. Well Site Layout:

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

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11. 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.

In areas planned for interim and final reclamation, surfacing materials will be removed and returned to a mineral pit or recycled to repair or build roads and well pads.

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

12. Other Information:

- Topography consists of a sloping plane with loose tan sands. Vegetation is mainly yucca, mesquite and shin oak.
- The wellsite is on surface owned by Bureau of Land Management. The land is used mainly for farming, cattle ranching, recreational use, and oil and gas production.
- 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.
- There are no known dwellings within 1½ miles of this location.

13. On Site Notes and Information:

Onsite date 8/9/12. Barry Hunt, Trisha Badbear and Basin Surveys on location. OK where staked. V-Door East. Top soil west. Battery on south. Interim reclamation: North and west. Access road from the southeast corner, east, to the 2H well. (320 x 380 ft. pad-190's)

Operator Certification Statement

Fuggles 24 Federal Com 1H

Cimarex Energy Co. of Colorado

Unit D, Section 24

T25S-R32E; 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

Tracie J Cherry

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 26th day of September, 2012

NAME: 
Tracie J Cherry

TITLE: Sr. Regulatory Analyst

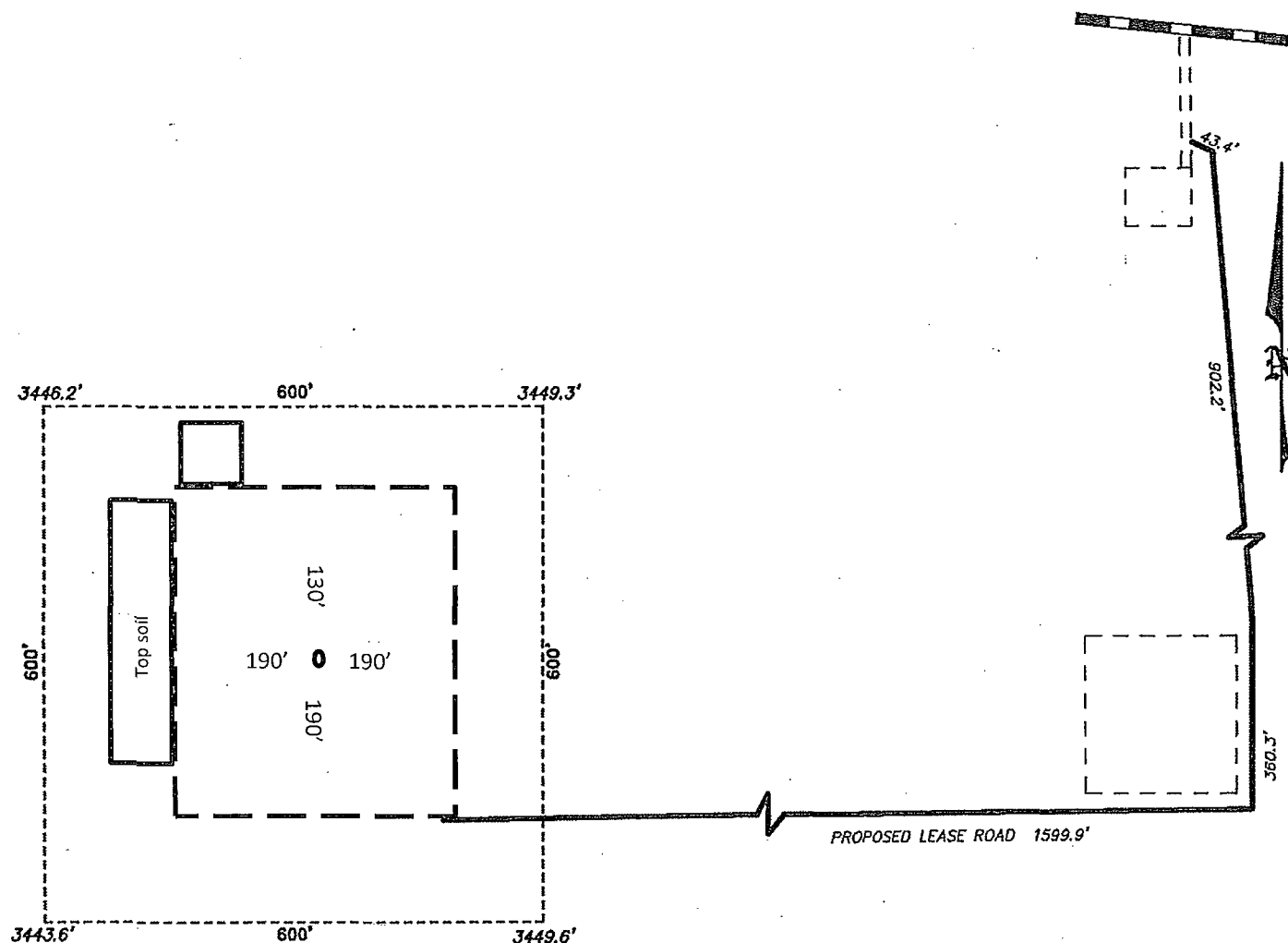
ADDRESS: 600 N. Marienfeld St., Ste. 600
Midland, TX 79701

TELEPHONE: (432) 620-1949

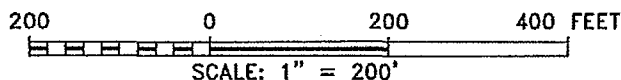
EMAIL: tcherry@cimarex.com

Field Representative: Same as above

SECTION 24, TOWNSHIP 25 SOUTH, RANGE 32 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



JAL, NM IS ±26 MILES TO THE EAST OF LOCATION.



Directions to Location:

FROM THE JUNCTION OF ORLA AND COTTON DRAW,
GO EAST ON COTTON DRAW FOR 2.6 MILES TO
LEASE ROAD, ON LEASE ROAD GO SOUTH 0.1 MILES
TO PROPOSED LEASE ROAD.

CIMAREX ENERGY CO.

REF: FUGGLES 24 FEDERAL COM #1H / WELL PAD TOPO

THE FUGGLES 24 FEDERAL COM #1H LOCATED 330'
FROM THE NORTH LINE AND 380' FROM THE WEST LINE OF
SECTION 24, TOWNSHIP 25 SOUTH, RANGE 32 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

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

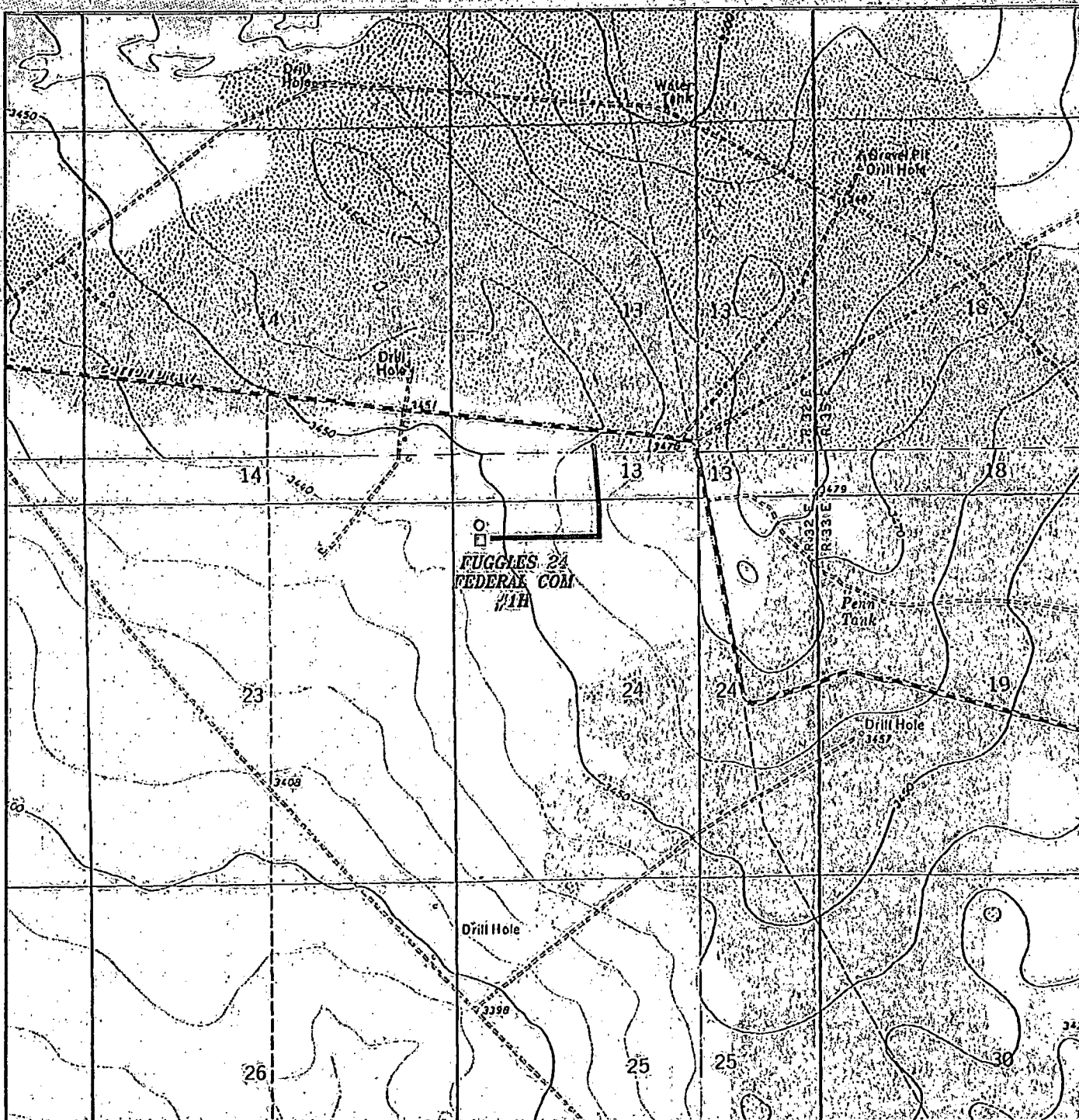
W.O. Number: 27258

Drawn By: J. SMALL

Date: 09-20-2012 Disk: JMS 27258

Survey Date: 09-12-212

Sheet 1 of 1 Sheets



FUGGLES 24 FEDERAL COM #1H
 Located 330' FNL and 380' FWL
 Section 24, Township 25 South, Range 32 East,
 N.M.P.M., Lea County, New Mexico.

 Tank Battery

basin
Surveys
 focused on excellence
 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 80241
 (575) 393-7316 - Office
 (575) 392-2206 - Fax
 basin-surveys.com

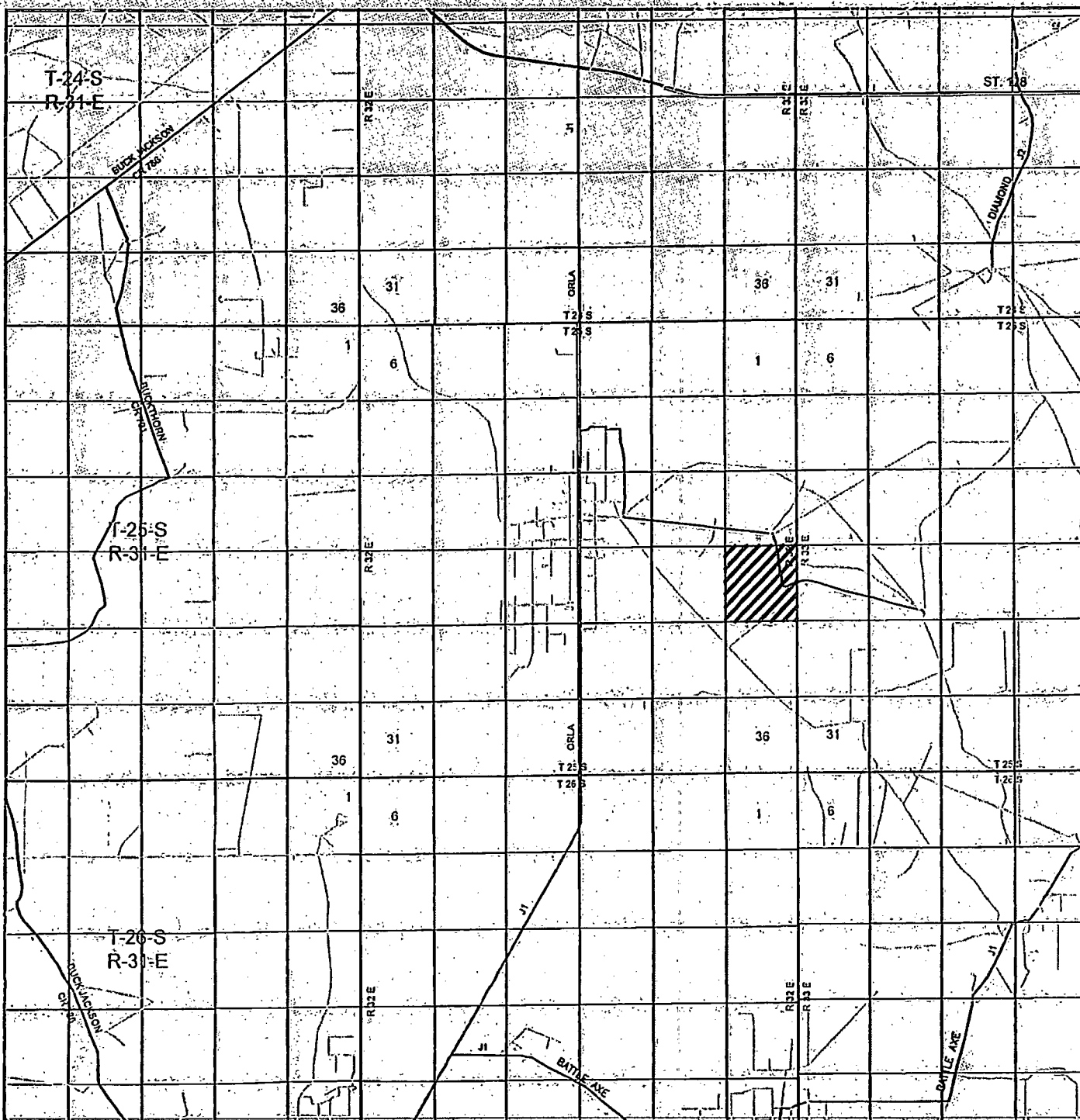
W.O. Number: JMS 27258

Survey Date: 09-04-2012

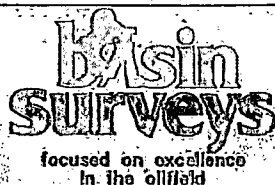
Scale: 1" = 2000'

Date: 09-20-2012

CIMAREX
ENERGY CO.



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 Located 330' FNL and 380' FWL
 Section 24, Township 25 South, Range 32 East,
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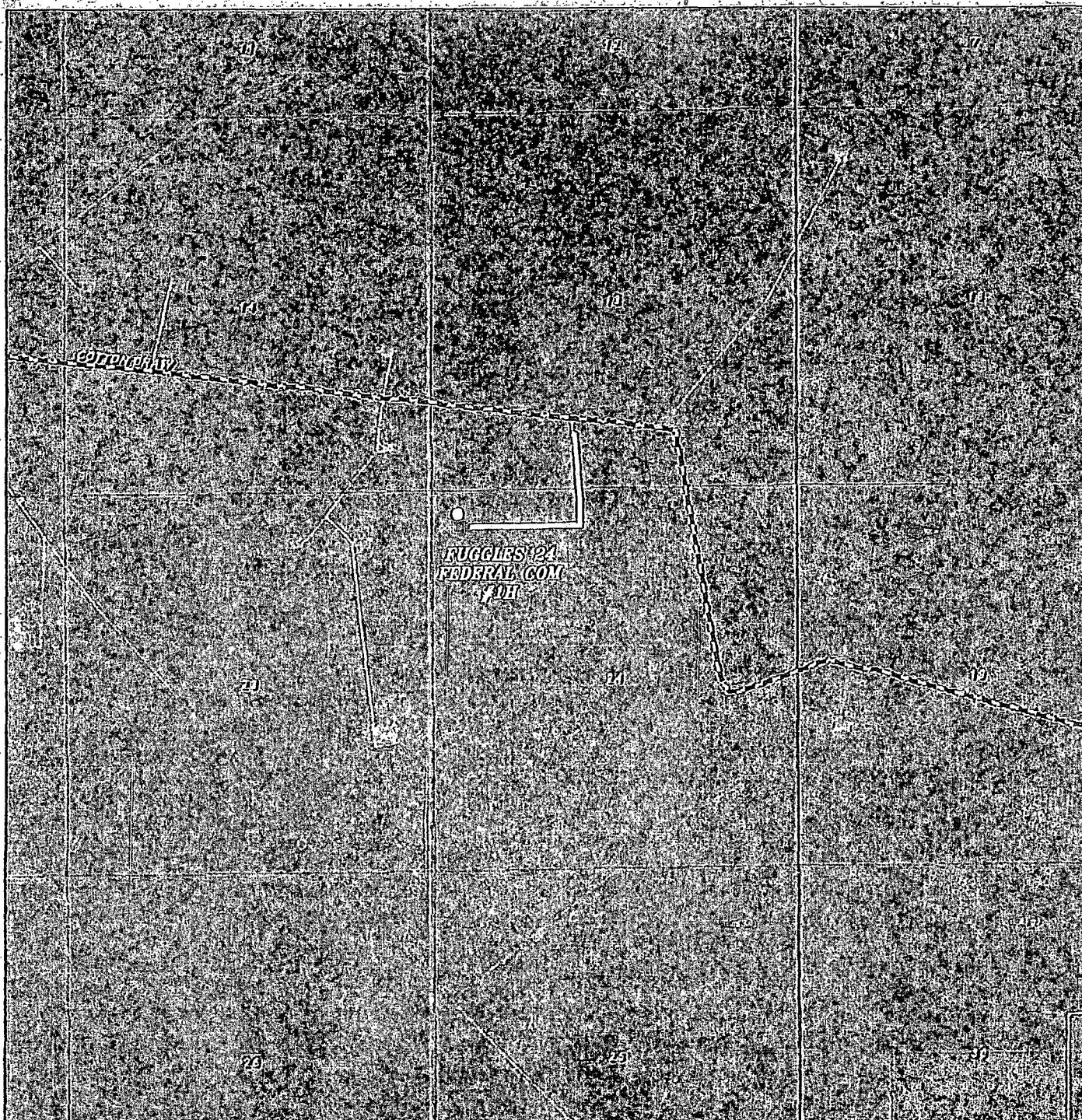
W.O. Number: JMS. 27258

Survey Date: 09-04-2012

Scale: 1" = 2 Miles

Date: 09-20-2012

**CIMAREX
 ENERGY CO.**



FUGGLES 24 FEDERAL COM #1H

■ Tank Battery

Located 330' FNL and 380' FWL

Section 24, Township 25 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

**CIMAREX
ENERGY CO.**

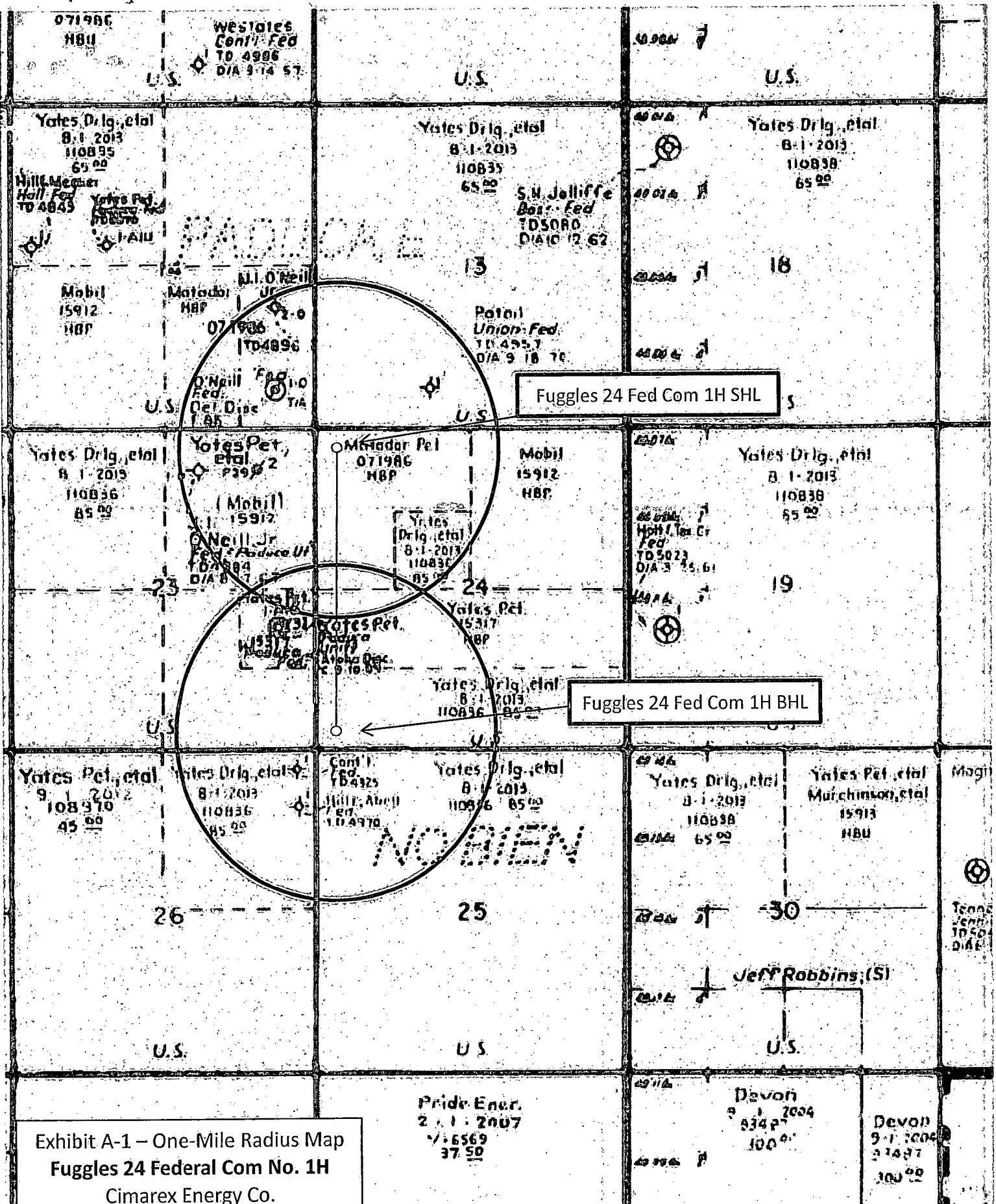


Exhibit A-1 – One-Mile Radius Map
Fuggles 24 Federal Com No. 1H
Cimarex Energy Co.
24-25S-32E
SHL 330 FNL & 380 FWL
BHL 330 FSL & 380 FWL
Lea County, NM