Surface Use Plan Double X 25 Federal No. 10H Cimarex Energy Co. Unit A, Section 25 T24S-R32E, Lea County, NM

HOBBS OCD

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- 1. <u>Existing Roads</u>: Area maps, Exhibit "A" shows the proposed well site as staked. Exhibit "B" is a reproduction of Lea 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.
 - 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 25 of Hwy 128, go east 0.5 miles to lease road, on lease road go south 1.1 miles to proposed lease road.
- 2. <u>Planned Access Roads</u>: 949.5' of new lease road is planned for construction, this road has been approved on the #3 & 4 APD application. This well will share a location pad with #3 & #4 wells.

Planned Electric Lines: Eline will connect to previously constructed line that follows lease road servicing #3 & #4 wells. No new Eline planned. Eline approved with #3 & #4 APD application.

3. 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 Exhibit "A"
- E. Abandoned wells As shown on Exhibit "A"

4. Location of Proposed Production Facilities:

If upon completion; this well is a producer, the tank battery will be used at the Double X 25 Federal 4 and the necessary production equipment will be installed at the wellsite. Any changes to the facilities or off-site facilities will be accompanied by a Sundry Notice. 2, 4" buried HP poly lines will carry oil, gas, water to the Double X 25 Federal 4 tank battery (shared location pad) and provide gas lift. Allocation will be based on well test. MAOP 1500 psi anticipated working pressure 200-300 psi.

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. 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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7. Ancillary Facilities:

A. No camps or airstrips to be constructed.

8. Well Site Layout:

- A. Exhibit "D" shows location and rig layout.
- C. Mud pits in the closed circulating system will be steel pits and the cuttings will be stored in steel containment pits.
- D. Cuttings will be stored in steel pits until they are hauled to a state-approved disposal facility.
- E. 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.

In areas planned for interim and final reclamation, surfacing materials will be removed and returned to a mineral pit or 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 a producer, those areas of the location not essential toproduction facilities and operations will be reclaimed and seeded per BLM requirements. Please see Production Facilities Layout Diagram, exhibit D-1.

10 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.

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.

11 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
- C. In lieu of an archaeological survey report, Cimarex will be submitting an MOA application for this well pad and access
- D. There are no know dwellings within 1½ miles of this location.