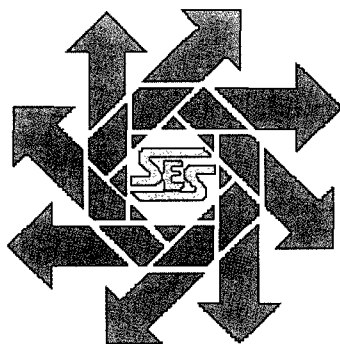
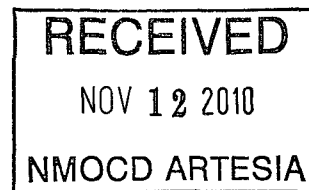


**Cimarex Energy Company
Crow Flats "16" State Com #2
Section 16, Township 16S, Range 28E
Eddy County, New Mexico**

Work Plan

November 5, 2010



Prepared for:

***Cimarex Energy Company
600 North Mariefeld, Suite 600
Midland, Texas 79701***

By:

***Safety & Environmental Solutions, Inc.
703 East Clinton Street
Hobbs, New Mexico 88240
(575) 397-0510***

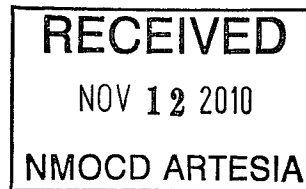


TABLE OF CONTENTS

| | |
|-------------------------------------|---|
| I. COMPANY CONTACTS | 1 |
| II. BACKGROUND | 1 |
| III. SURFACE AND GROUND WATER | 1 |
| IV. CHARACTERIZATION..... | 1 |
| V. SOILS..... | 1 |
| VI. WORK PERFORMED | 2 |
| VII. ACTION PLAN | 2 |
| VIII. FIGURES AND APPENDICES | 2 |
| Figure 1 – Vicinity Map | 3 |
| Figure 2 - Site Map | 4 |
| Appendix A– Site Photographs..... | 5 |
| Appendix B– C-141 | 6 |

I. Company Contacts

| Company Representative | Company | Telephone | E-mail |
|------------------------|--------------------|--------------|--------------------|
| Randy Hogan | Cimarex Energy Co. | 432-296-0618 | rhogan@cimarex.com |
| Bob Allen | SESI | 575-397-0510 | ballen@sesi-nm.com |

II. Background

Safety and Environmental Solutions, Inc. (SESI) was engaged by Cimarex Energy Company to perform a site assessment at the Crow Flats 16 State Com #2, located in Section 16, Township 16 South, and Range 28 East. The circulating pump was left unattended and the pump was not within the bermed area of the tank battery causing fluids to leak onto location pad. Approximately 17 barrels of hydrocarbon fluid was released with no recovery.

III. Surface and Ground Water

According the database provided by the New Mexico Office of State Engineer's online database, the average depth of water in this area is 110 feet and is located 4.3 miles east of the Crow Flats 16 State Com #2. (See Figure 1)

IV. Characterization

The target cleanup levels are reached by the application of the "Unlined Surface Impoundment Closure Guidelines New Mexico Oil Conservation Division (NMOCD) – February, 1993 to this site is 5,000 parts per million (ppm) Total Petroleum Hydrocarbons (TPH). Application of the New Mexico Oil Conservation Division's ranking criteria for contaminated soils at this site is presented below:

| Depth to Ground Water: | | | |
|--|-----------------------|-----------|---|
| (Vertical distance from contaminants to seasonal high water elevation of groundwater) | Less than 50 feet | 20 points | |
| | 50 feet to 99 feet | 10 points | |
| | >100 feet | 0 points | X |
| Wellhead Protection Area: | | | |
| (Less than 200 feet from a private domestic water source; or less than 1000 feet from all other water sources) | Yes | 20 points | |
| | No | 0 points | X |
| Distance to Surface Water: | | | |
| (Horizontal distance to perennial lakes, ponds, rivers, streams, creeks, irrigation canals and ditches) | Less than 200 feet | 20 points | |
| | 200 feet to 1000 feet | 10 points | |
| | >1000 feet | 0 points | X |
| RANKING SCORE (TOTAL POINTS) | | | 0 |

V. Soils

The surface soils in the area are predominantly sand and sandy loam.

VI. Work Performed

On November 2, 2010 SESI was onsite to map location utilizing a Trimble Geo Explorer XM handheld device. Site photographs were also taken at this time. The affected area is approximately 5,584.85 square feet.

VII. Action Plan

It is requested that the affected area outside of the location pad be excavated to remove the most highly contaminated soil. The excavated soil will be taken to an approved NMOCD facility. The excavated areas will then be backfilled with clean soils and contoured to original grade. Vertical extent of the affected area on the location pad will be determined during excavation. Samples will be retrieved and properly preserved and transported under chain of custody to Cardinal Labs of Hobbs, New Mexico. The samples will be analyzed for Chlorides (EPA Method 4500-ClB), Benzene, Toluene, Ethyl Benzene, Total Xylenes (BTEX EPA Method 8021) and Total Petroleum Hydrocarbons (TPH EPA Method 418.1).

VIII. Figures and Appendices

Figure 1 – Vicinity Map

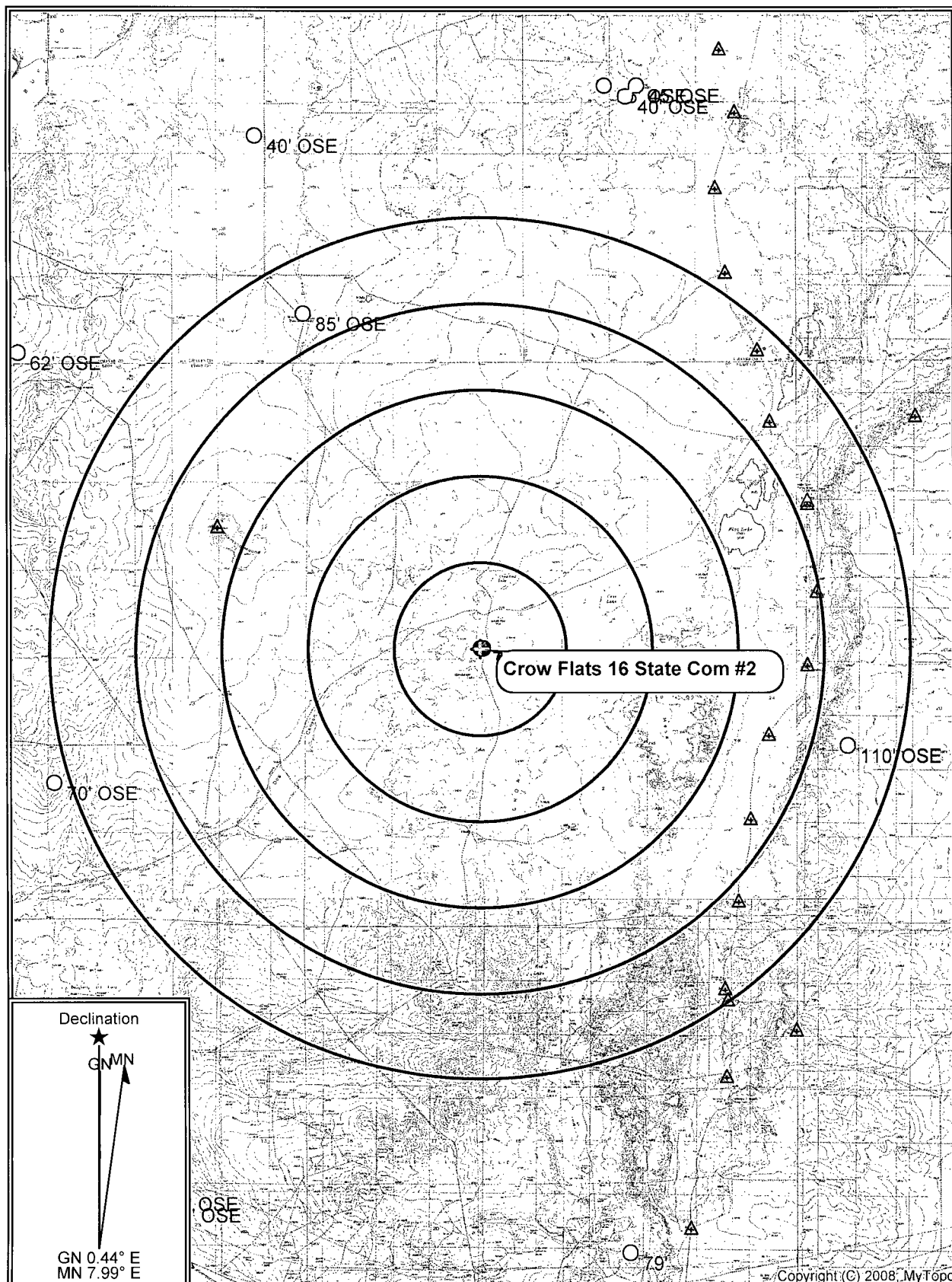
Figure 2 – Site Map

Appendix A – Site Photographs

Appendix B – C-141

Figure 1

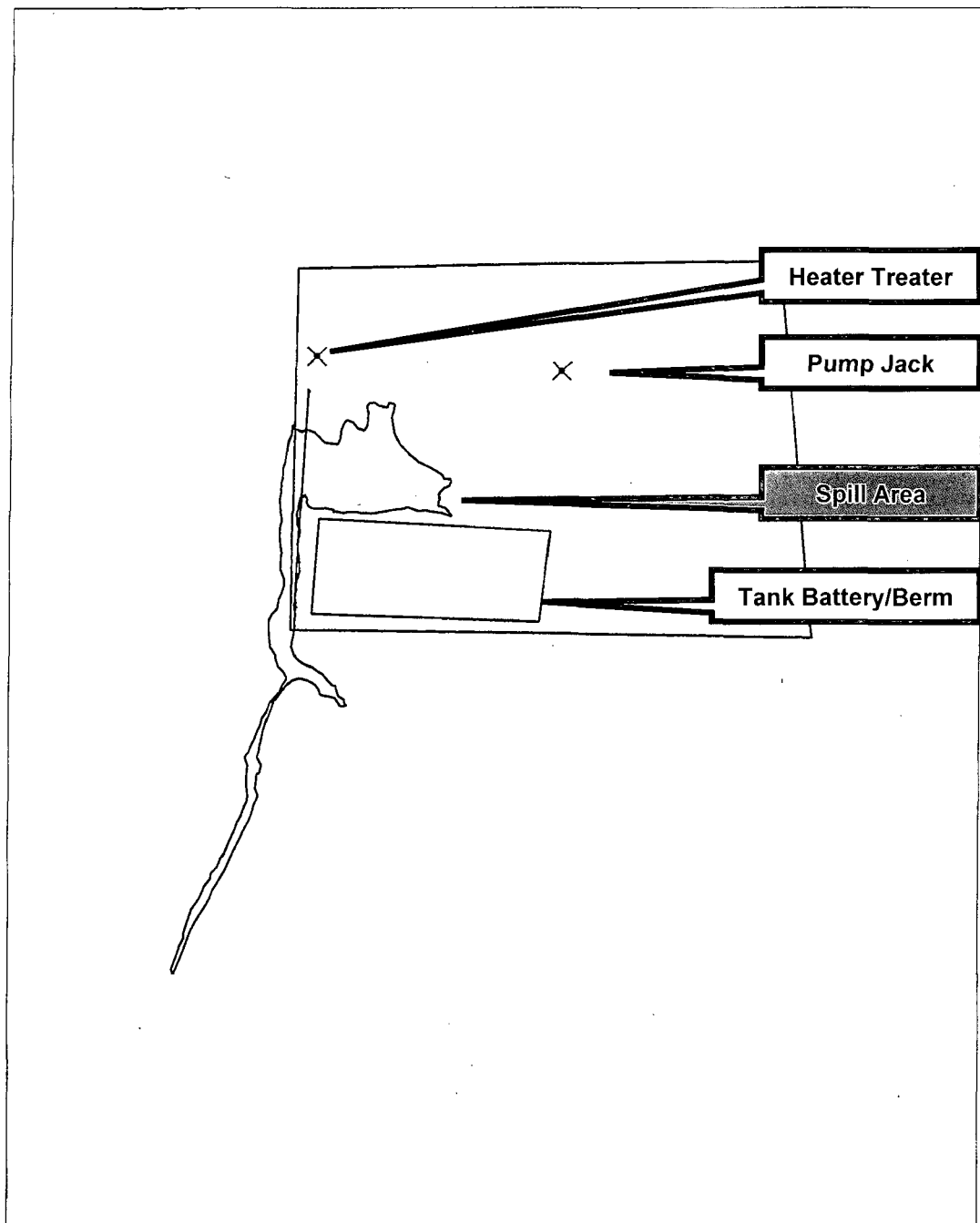
Vicinity Map



Map Name: DIAMOND MOUND,
Scale: 1 inch = 9,000 ft.

Map Center: 13 0575885 E 3642383 N
Horizontal Datum: WGS84

Figure 2 Site Map



Crow Flats 16 State Com #2

Lat/Long
WGS 1984

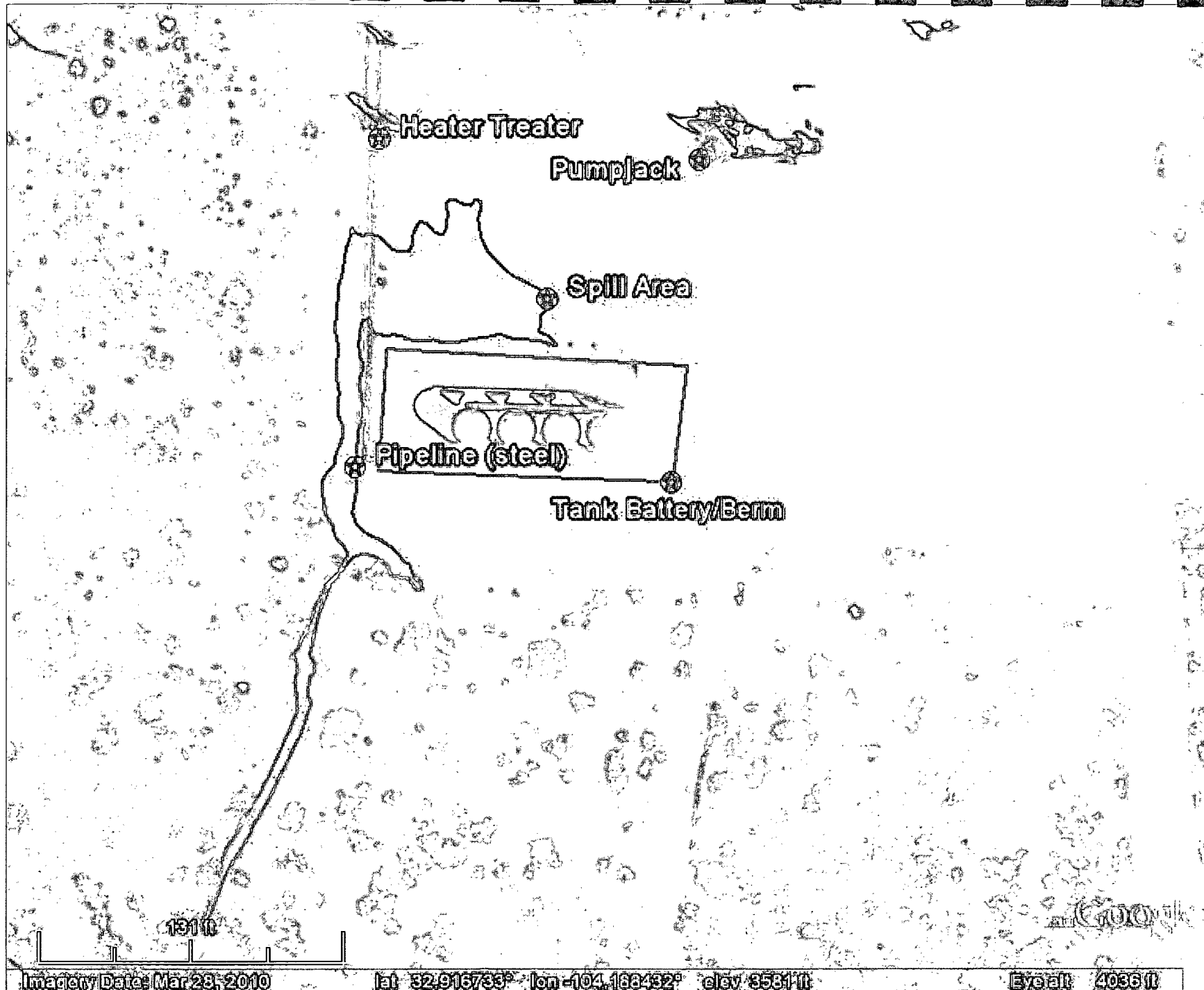


Scale 1 in : 100 ft
0 150.0
Feet

CROW FLATS 16 STATE
11/2/2010

GPS Pathfinder® Office





Imagery Date: Mar 28, 2010

Lat 32.916733° Lon -104.188432° elev 3581 ft

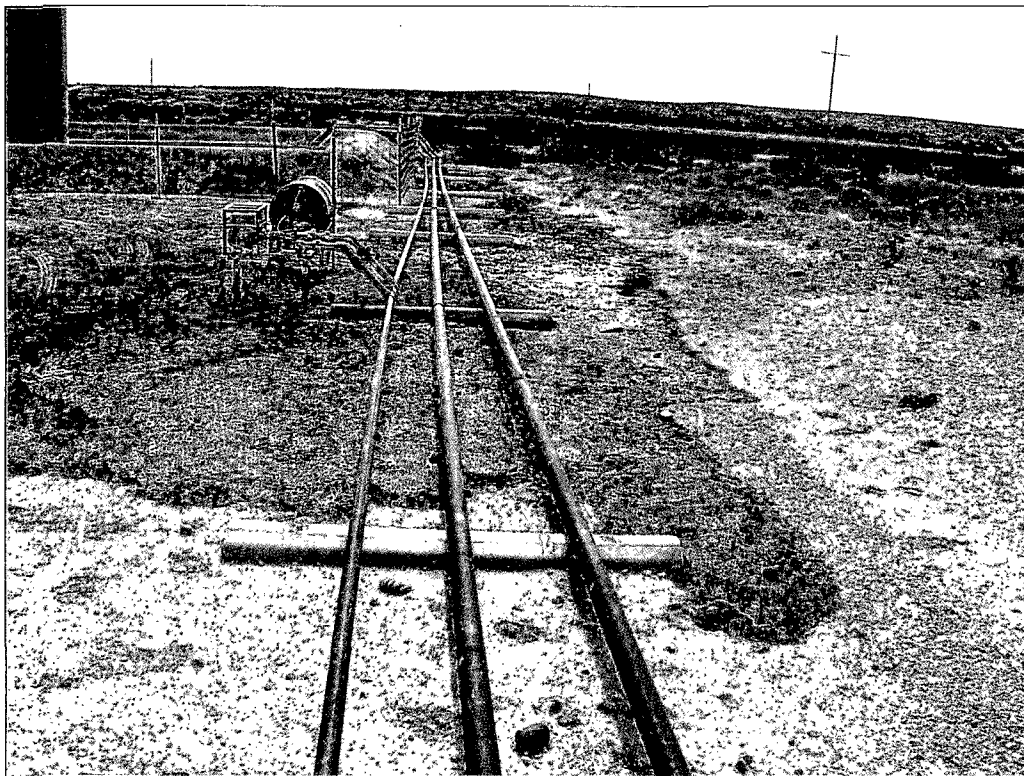
Copyright 2010

Appendix A

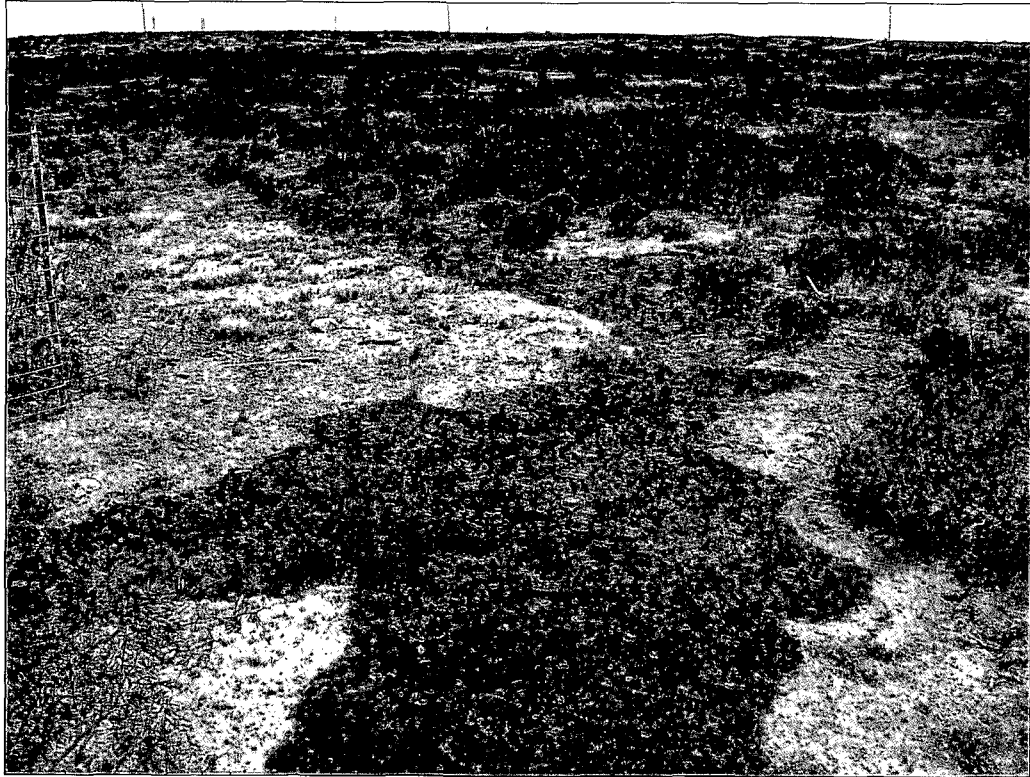
Site Photographs



Lease Sign



Northeast of battery facing South



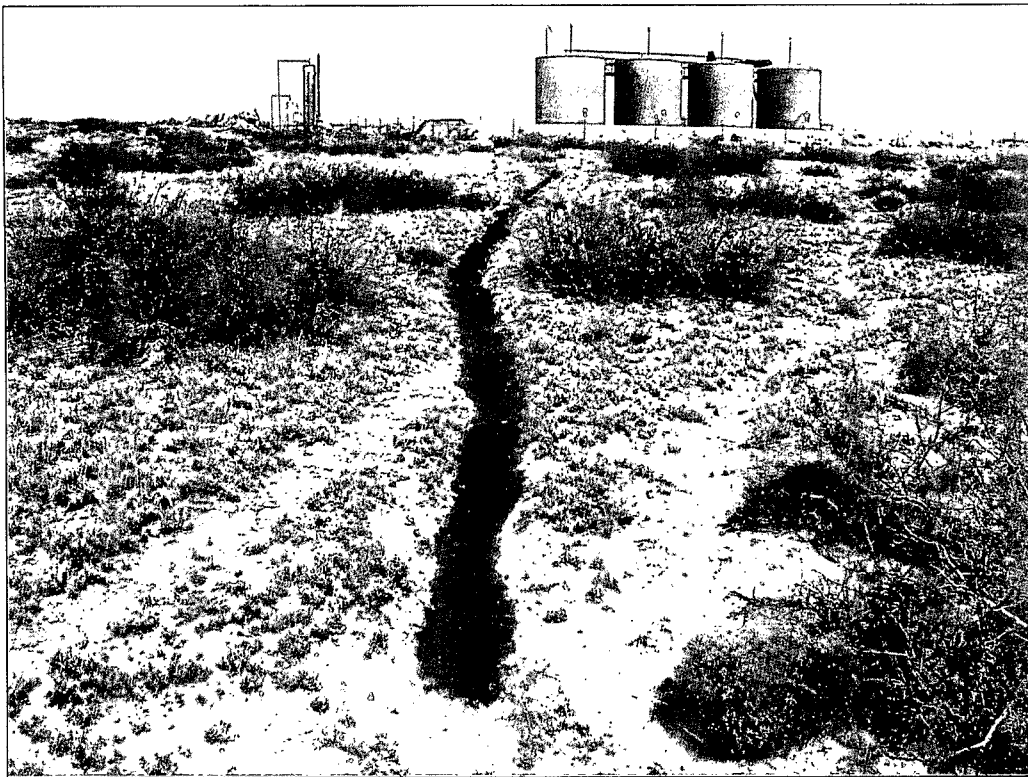
Northwest of battery



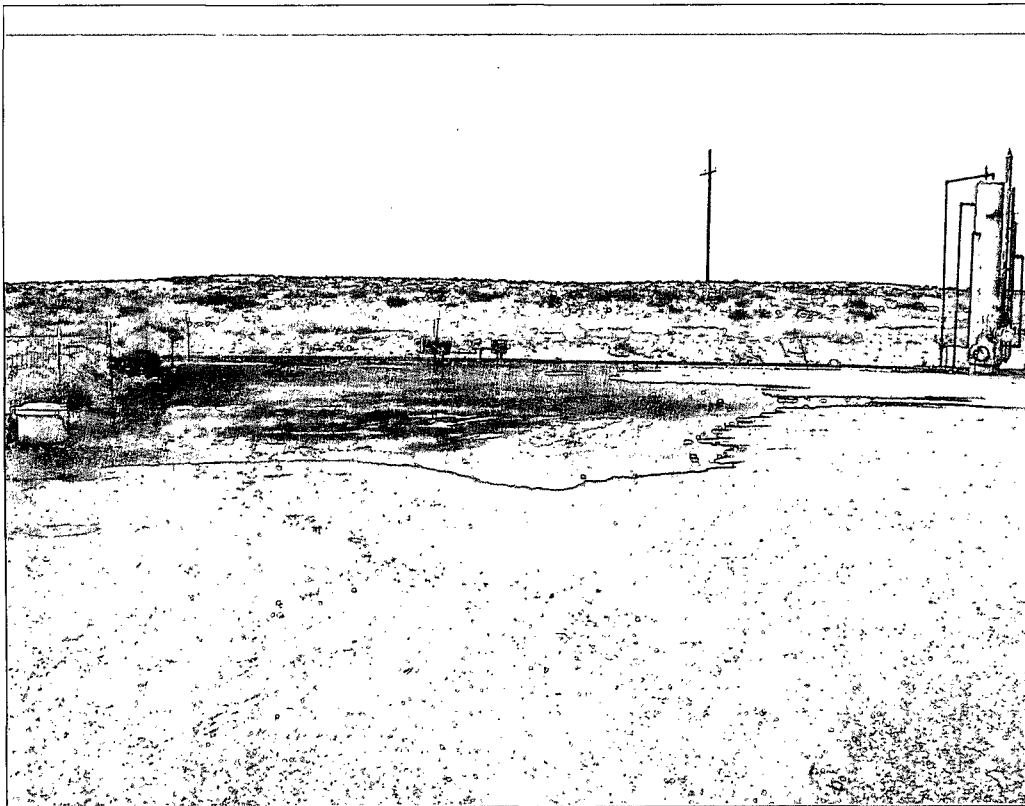
Northwest of location facing South



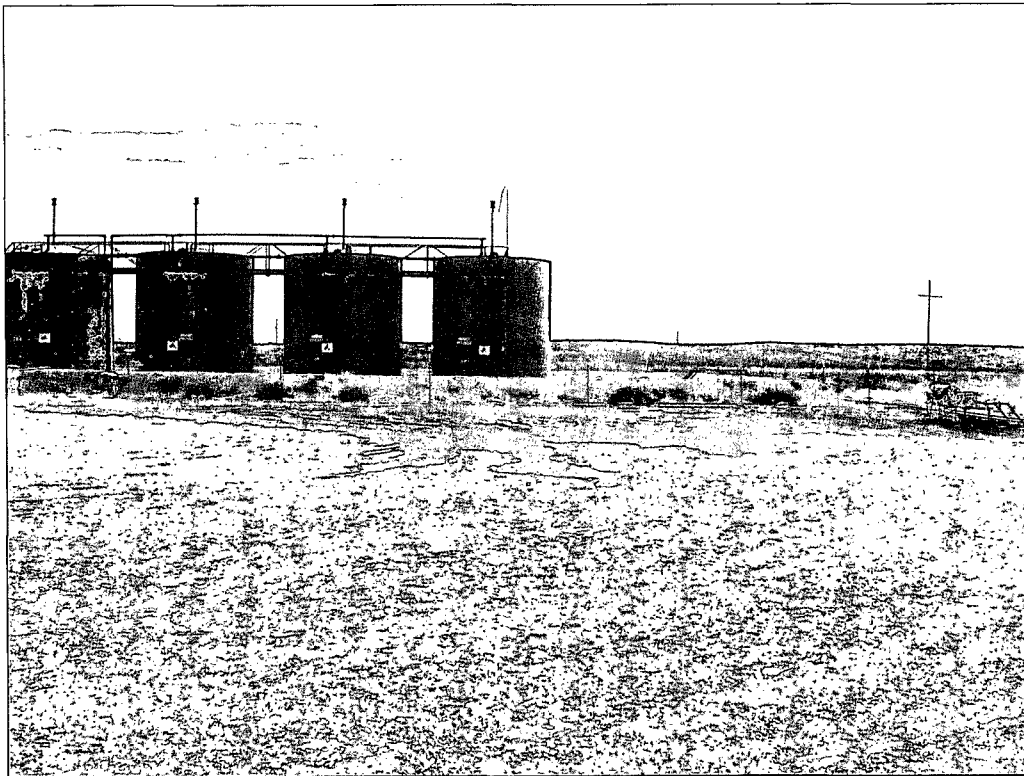
Northwest of location facing Southeast



South of the location facing North



Spill area northwest of battery



Spill northwest of battery facing South

Appendix B

C-141

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

| | |
|--|-----------------------------|
| Name of Company-Cimarex Energy | Contact- Randy Hogan |
| Address-600 N Marienfeld Ste 600, Midland Tx 79701 | Telephone No.-432-296-0618 |
| Facility Name- Crow Flats 16 State 2 | Facility Type- Tank battery |

| | | |
|---------------|---------------|-----------|
| Surface Owner | Mineral Owner | Lease No. |
|---------------|---------------|-----------|

LOCATION OF RELEASE

| | | | | | | | | |
|------------------|----------------|-----------------|--------------|----------------------|---------------------------|----------------------|------------------------|---------------|
| Unit Letter M | Section -16 | Township 16S | Range 28E | Feet from the 660 | North/South Line South | Feet from the 330 | East/West Line West | County - Eddy |
|------------------|----------------|-----------------|--------------|----------------------|---------------------------|----------------------|------------------------|---------------|

Latitude-N32°55'01.7 Longitude-W104°11'17.9

NATURE OF RELEASE

| | | |
|---|--|---|
| Type of Release- oil from circulating pump | Volume of Release-17 bbls | Volume Recovered- |
| Source of Release-Circulating pump | Date and Hour of Occurrence-10-12-10 6 PM MT | Date and Hour of Discovery 10-12-10 7 PM MT |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? | |
| By Whom? | Date and Hour | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. | |

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

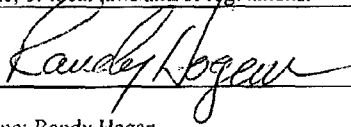
Problem was the circulating pump was left unattended and a leak had developed. Pump wasn't inside the berm around the tank battery. Called for a truck to pick up fluids and no trucks were available. Will work w/ Safety Solutions to inspect the spill site then submit a recommendation for delineation and recovery.

Describe Area Affected and Cleanup Action Taken.*

Oil had leaked out of the circulating pump and onto the location pad. All the oil is supposedly contained on the pad, none off the pad site. Safety Solutions will respond to this and we will be coordinating the action to take on cleaning up this leakage. A written report and a recommendation will be given to the correct government agency for approval.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

OIL CONSERVATION DIVISION

| | | | |
|--|----------------------------------|------------------|-----------------------------------|
| Signature:  | Approved by District Supervisor: | | |
| Printed Name: Randy Hogan | | | |
| Title: Production Superintendent | Approval Date: | Expiration Date: | |
| E-mail Address: rhogan@cimarex.com | Conditions of Approval: | | Attached <input type="checkbox"/> |
| Date: 10-13-10 Phone: 432-296-0618 | | | |