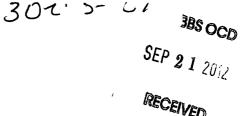
<u>Surface Use Plan</u> Diamondtail 23 Federal 8

Cimarex Energy Co. Unit A, Section 23 T23S-R32E; Lea County, NM



- 1. Existing Roads: Area maps, Exhibit "A" shows the proposed well site as staked. 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 MM 19 of Hwy 128 go NE 5.6 miles to lease road, on lease road go NW 0.5 miles to proposed location.
- 2. <u>Planned Access Roads:</u> 4074' of connecting access road will be built from the Diamontail 23 Federal locations to the west to this location.

3. Planned E-Lines Flowlines Gas Lift:

2269' of buried HP poly line down existing lease road to carry oil, gas, water to Diamondtail 23 Fed 3 tank battery. Allocaton based on well test. Flowline for additional Avalon wells will be burried in the same trench. MAOP 1500 psi anticipated working pressure 200-300 psi.

Gas lift will be provided by 2269' of HP poly line buried along access road from Daimondtail 23 Fed 3 tank battery. Line will continue to wells west of Diamondtail when permitted. MAOP 1500 psi anticipated working pressure 200-300 psi. 2269' of 3 phase 4 wire 13 span 40' poles 480 volt E-line will be constructed along lease road to the Diamondtail 23 Fed 3 tank battery. See Exhibit "C".

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, two 4" high pressure flexpipes will be buried along existing lease road to the Diamondtail 23 Federal #3 tank battery in NE/4NW/4 one to carry oil, gas, and water to the #3 tank battery and one to be used for gas lift. Allocations will be based on well tests. See production facilities layout diagram Exhibit D-2 and Exhibit "C". Any changes to the facilities or off-site facilities will be accompanied by a sundry notice. Flexpipe has 1500 psi MAOP and will have 200 to 300 psi working pressure.

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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. 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

Surface Use Plan Diamondtail 23 Federal 8

Cimarex Energy Co. Unit A, Section 23 T23S-R32E; Lea County, NM

8. Ancillary Facilities:

A. No camps or airstrips to be constructed.

9. 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.

10. 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 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.

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 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 know dwellings within 1½ miles of this location.

Operator Certification Statement

Diamondtail 23 Federal 8

Cimarex Energy Co. Unit A, Section 23 T23S-R32E; Lea County, NM

Operator's Representative
Cimarex Energy Co. of Colorado
600 N. Marienfeld St., Ste. 600

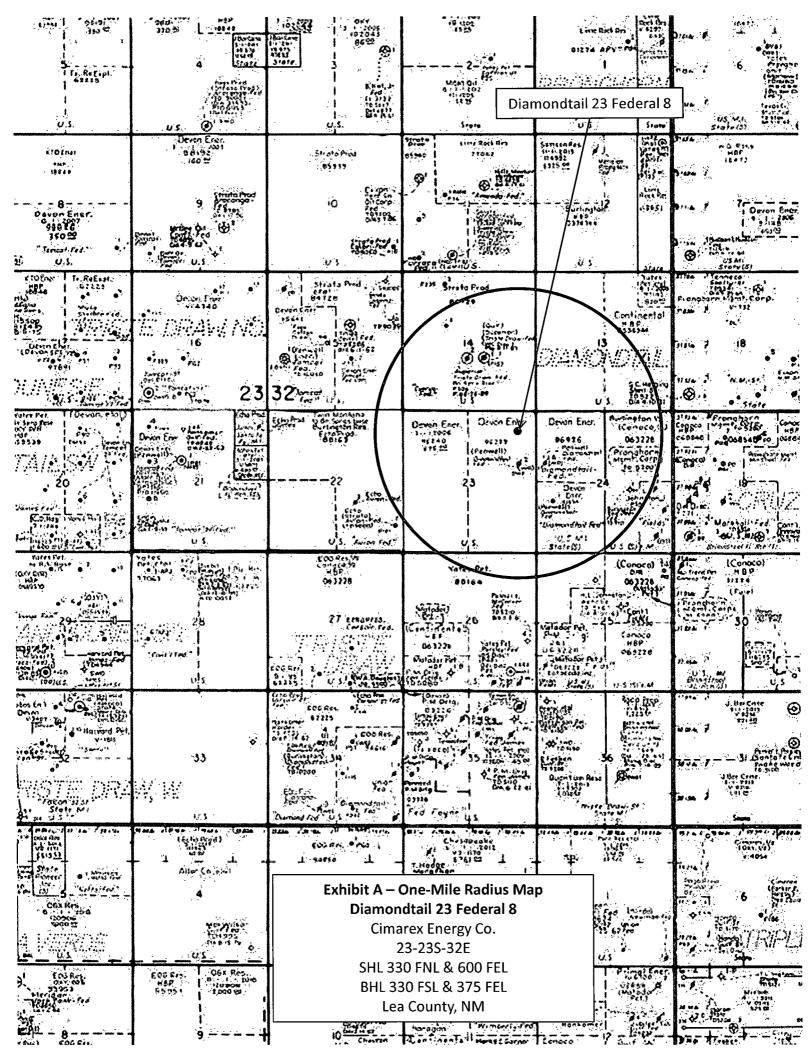
Midland, TX 79701

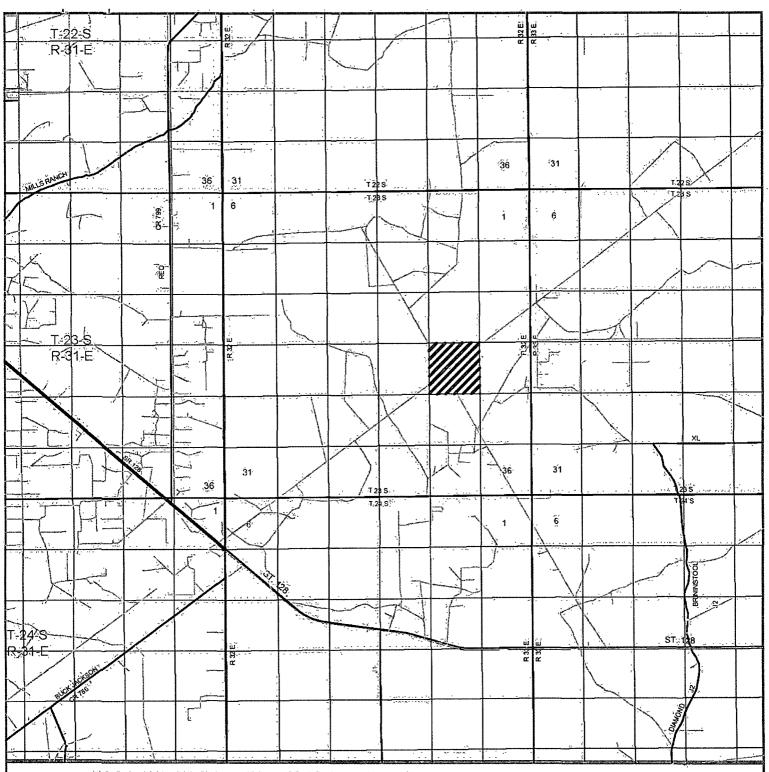
Office Phone: (432) 571-7800

Zeno Farris

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 th	s <u>16th</u> day of	April,	2012	
NAME:	Zeno Fa	u's		
Zeno Farris TITLE: Manager Operations Administration				
ADDRESS: 600 N. Marienfeld St., Ste. 600				
	Midland, TX 79701			
TELEPHONE: (432) 620-1938				
EMAIL: <u>zfarris@cimarex.com</u>			: '.	
Field Renres	entative: Same as above	2		





DIAMONDTAIL 23 FEDERAL #8 Located 330' FNL and 600' FEL Section 23, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico.



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:	ปMS 26198	
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CIMAREX ENERGY CO.

