

Surface Use Plan
Laguna Deep Unit No. 21H
Cimarex Energy Co. of Colorado
Unit C, Section 36
T19S-R33E, Lea County, NM

0025-41812
HOBBS OCD

OCT 01 2012

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1. **Existing Roads:** 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 to nearest county 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 the junction of HWY 62/180 and Smith Ranch, go north on Smith Ranch for 1.5 miles to lease road, on lease road go east 0.4 miles turning north 0.2 miles to well pad and proposed lease road.
2. **Planned Access Roads:** 607.7' Proposed lease road from southeast corner south to an existing well.
3. **Planned Pipelines and Electric Lines:**
Approximately 607.7' of 3-phase 4-wire 2-span 40' pole E-line along newly constructed lease road to tie-in with existing line in SWNE.
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 upon completion this well is a producer; approximately 3200' of 4" SDR-11 flowline will be laid along existing access road to flow oil, gas, water to the Laguna Deep No. 16 tank battery. Allocation will be based on well tests. Any changes to the facilities will be accompanied by a 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. 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
8. **Methods of Handling Waste Material:**
 - A. Drill cuttings will be separated by a series of solids removal equipment and stored in steel containment pits and then hauled to a state-approved disposal facility.
 - B. All trash, junk and other waste material will be contained in trash cages or bins to prevent scattering. When the job is completed all contents will be removed and disposed of in an approved sanitary land fill.
 - C. Salts remaining after completion of well will be picked up by supplier including broken sacks.
 - D. Sewage from living quarters will drain into holding tanks and be cleaned out periodically and hauled to a waste disposal facility. A Porta-John will be provided for the rig crews. This equipment will be properly maintained during the drilling operations and removed upon completion of the well.

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9. Ancillary Facilities:

- A. No camps or airstrips to be constructed.

10. Well Site Layout:

- A. Exhibit "D" shows location and rig layout.
- B. Mud pits in the closed circulating 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.

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.

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 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

- 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.

Operator Certification Statement

**Laguna Deep Unit No. 21H
Cimarex Energy Co. of Colorado
Unit C, Section 36
T19S-R33E, 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 this 18th day of May, 2012

NAME: Zeno Farris
Zeno Farris

TITLE: Manager Operations Administration

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

TELEPHONE: (432) 620-1938

EMAIL: zfarris@cimarex.com

Field Representative: Same as above

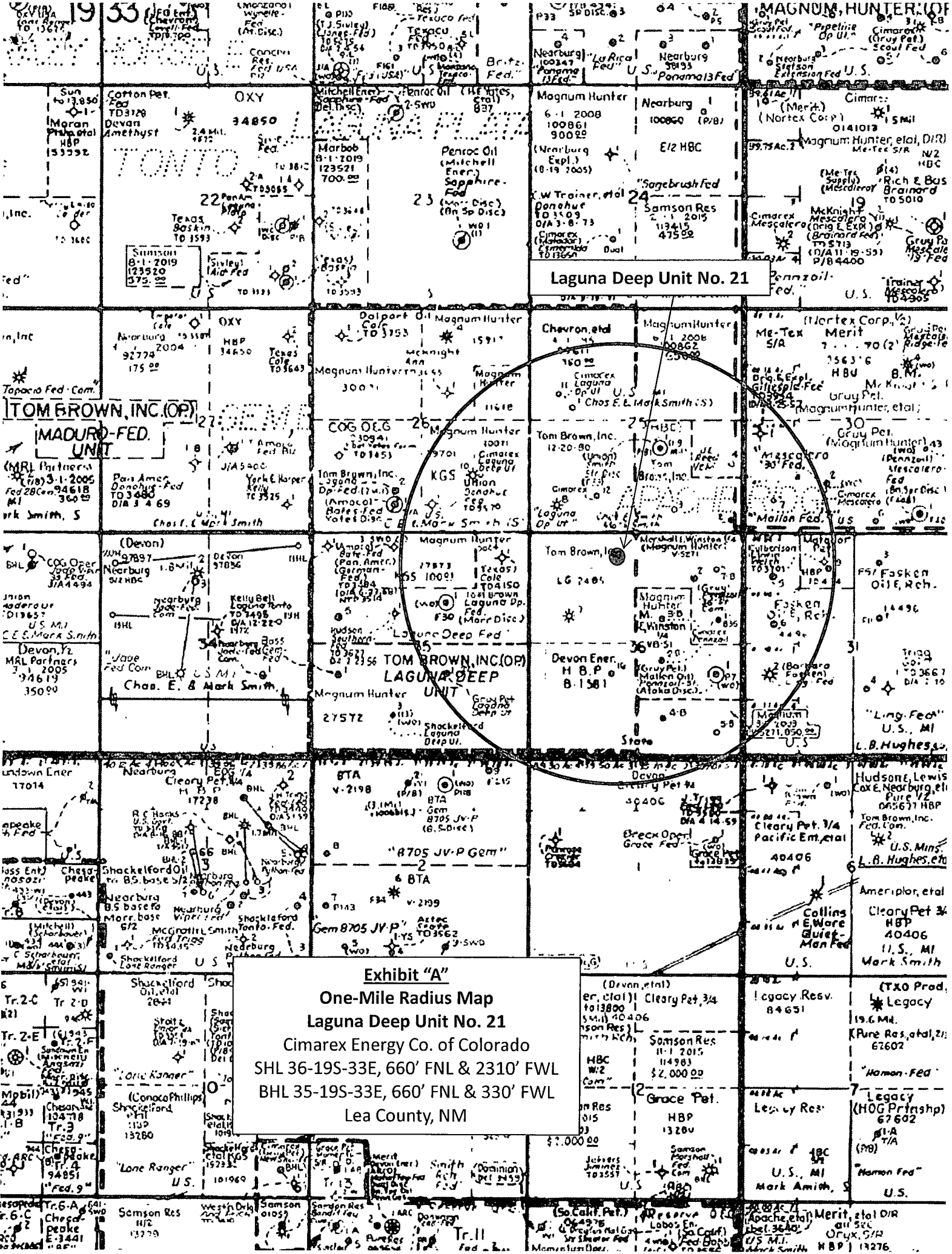


Exhibit "A"

One-Mile Radius Map

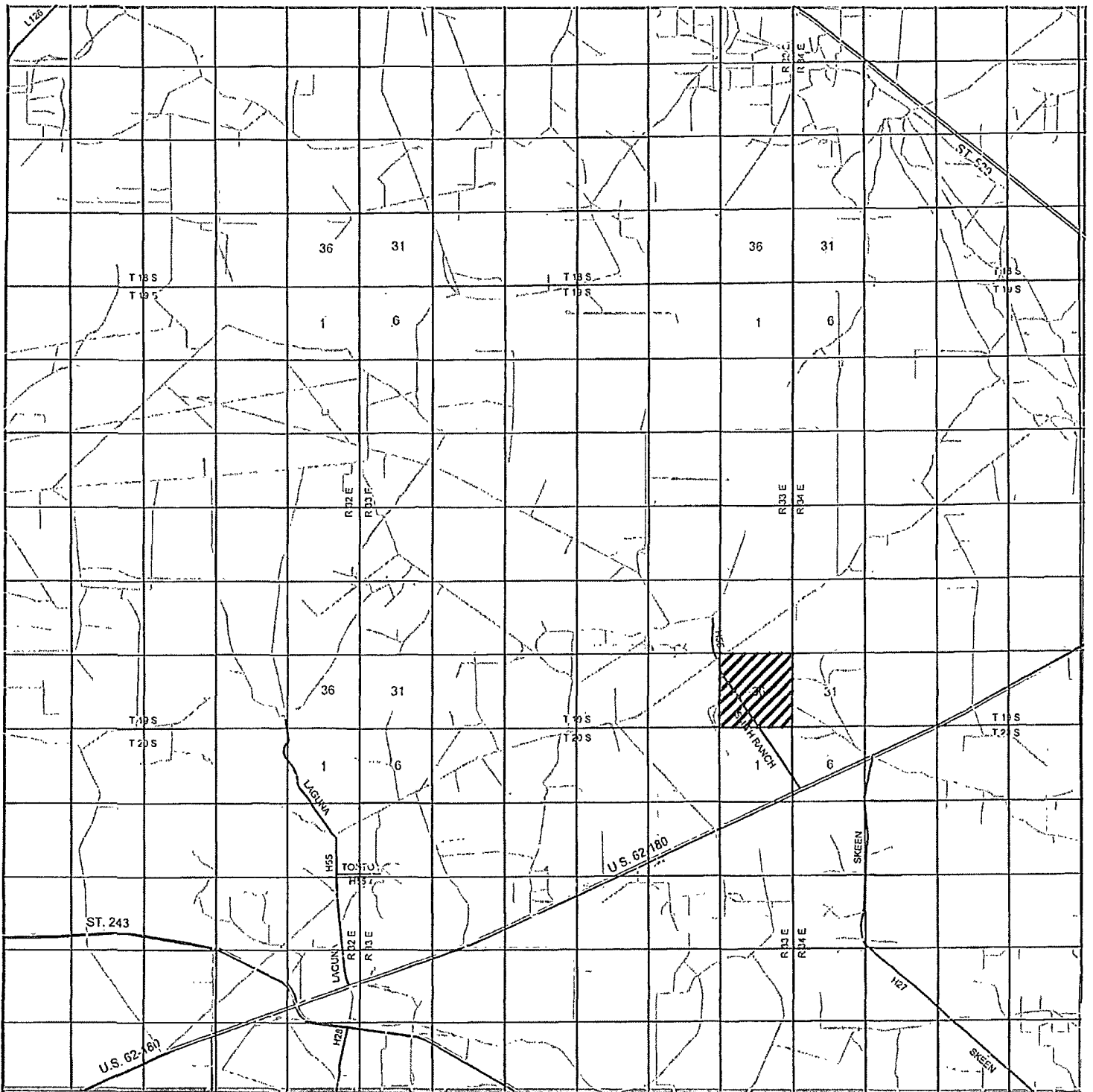
Laguna Deep Unit No. 21

Cimarex Energy Co. of Colorado

SHL 36-19S-33E, 660' FNL & 2310' FWL

BHL 35-19S-33E, 660' FNL & 330' FWL

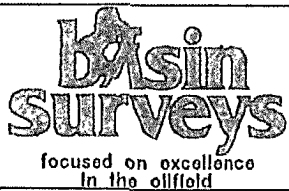
Lea County, NM



LAGUNA DEEP UNIT #21

Located 660' FNL and 2310' FWL

Section 36, Township 19 South, Range 33 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: JMS 26149

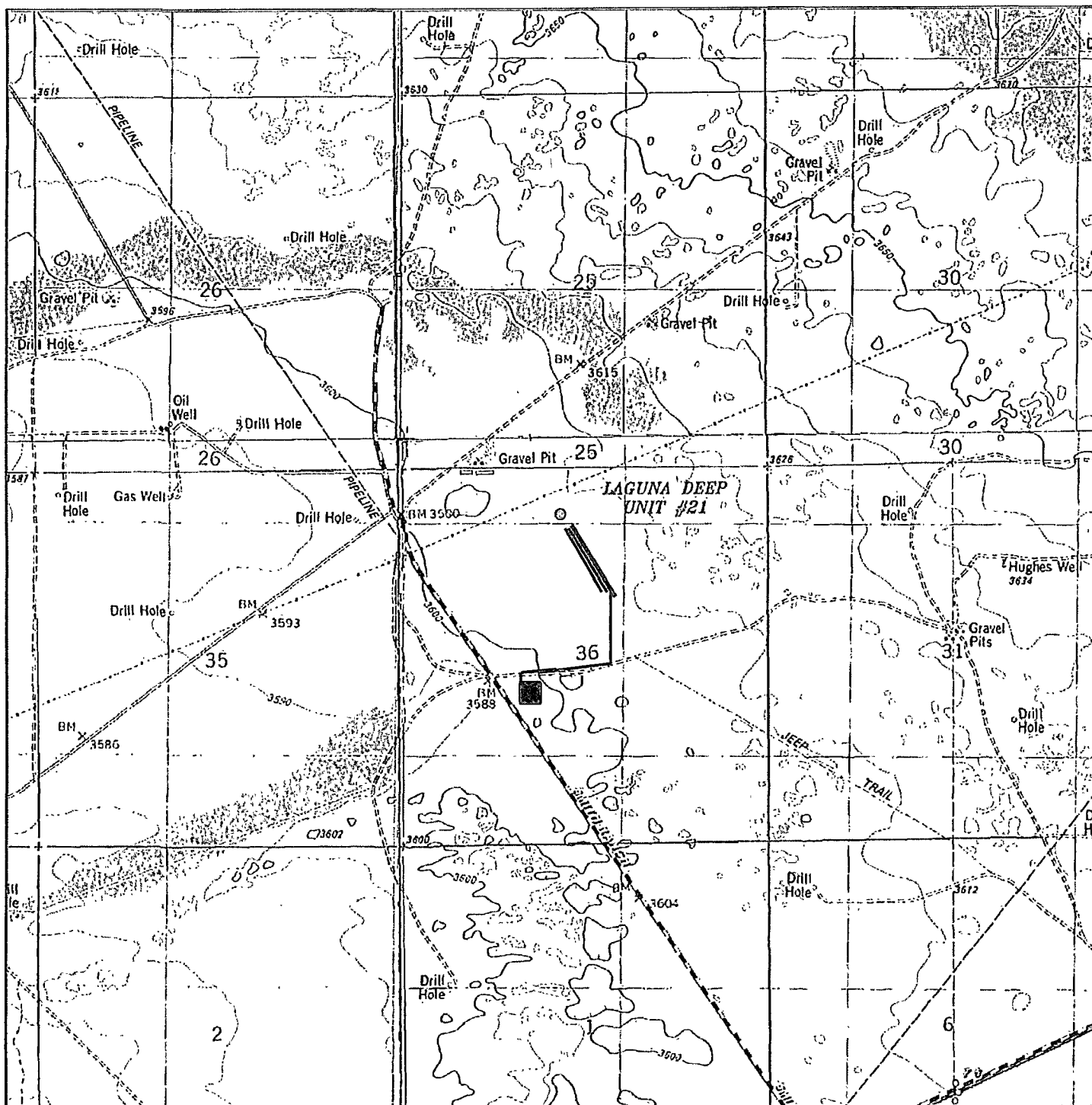
Survey Date: 02-11-2012

Scale: 1" = 2 Miles

Date: 02-21-2012

**CIMAREX
ENERGY CO.
OF COLORADO**




Exhibit "B"



LAGUNA DEEP UNIT #21

Located 660' FNL and 2310' FWL

Section 36, Township 19 South, Range 33 East,
N.M.P.M., Lea County, New Mexico.

 Tank Battery
 4" SDR-11 Flowline
 E-line

basin
surveys
 focused on excellence
 in the oilfield

P.O. Box 1786
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 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
 (575) 392-2206 - Fax
 basin-surveys.com

W.O. Number: JMS 26149

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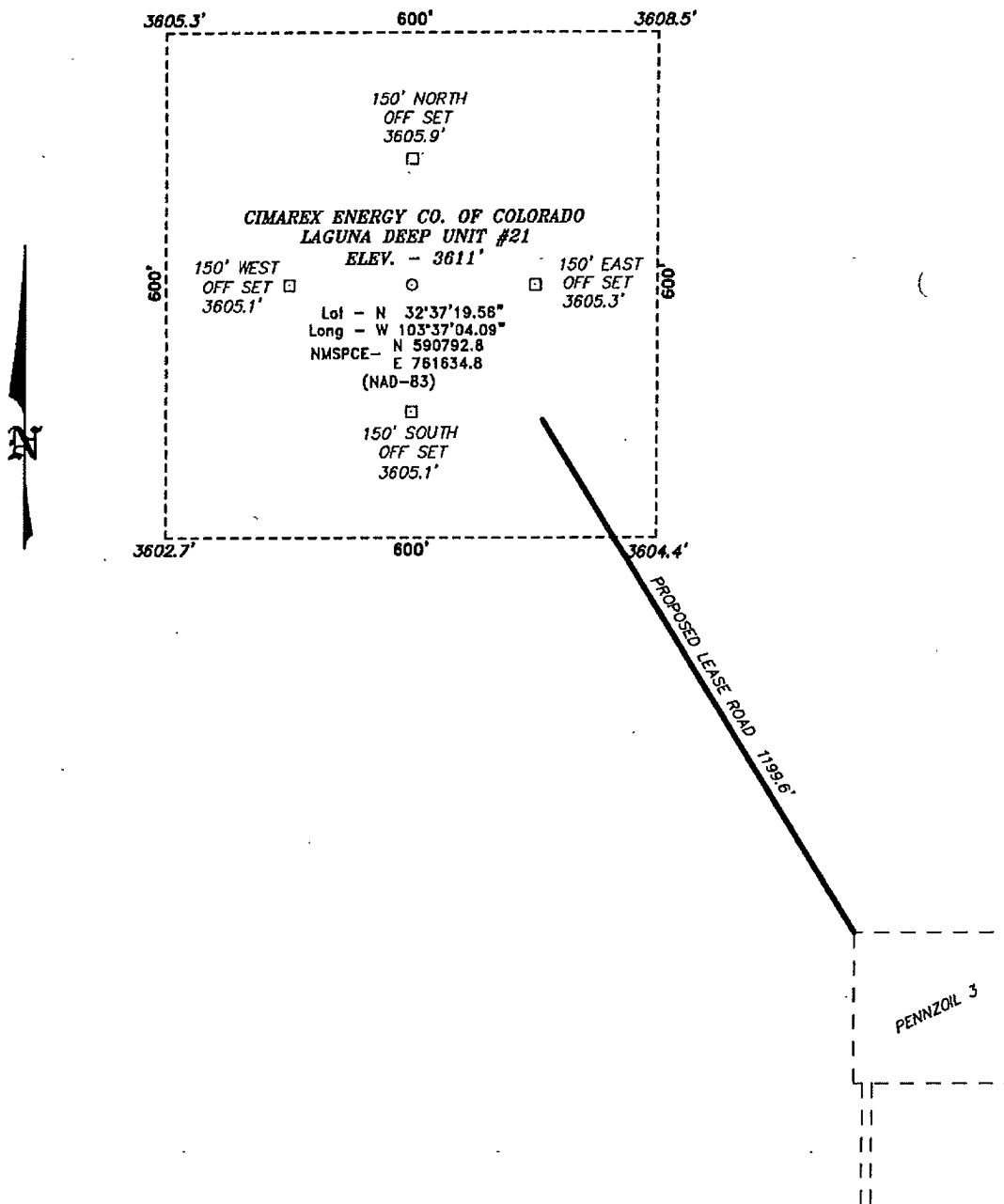
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Date: 02-21-2012

CIMAREX
 ENERGY CO.
 OF COLORADO

Exhibit "C"

**SECTION 36, TOWNSHIP 19 SOUTH, RANGE 33 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.**



Directions to Location:

FROM THE JUNCTION OF HWY 62-180 AND SMITH RANCH, GO NORTH ON SMITH RANCH FOR 1.5 MILES TO LEASE ROAD, ON LEASE ROAD GO EAST 0.4 MILES TURNING NORTH 0.2 MILES TO WELL PAD AND PROPOSED LEASE ROAD.

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

W.O. Number: 26149 Drawn By: J. SMALL

Date: 02-21-2012 Disk: JMS 26149

CIMAREX ENERGY CO. OF COLORADO

REF: LAGUNA DEEP UNIT #21 / WELL PAD TOPO

THE LAGUNA DEEP UNIT #21 LOCATED 660'

FROM THE NORTH LINE AND 2310' FROM THE WEST LINE OF

SECTION 36, TOWNSHIP 19 SOUTH, RANGE 33 EAST,

N.M.P.M., LEA COUNTY, NEW MEXICO.

Survey Date: 02-11-2012 Sheet 1 of 1 Sheets