30025-41063

# HOBBS OCD

MAR 1 8 2013

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," "C-2," "C-3," and "C-4" will be maintained in a condition equal to or better than current conditions.

Surface Use Plan

Hallertau 5 Federal No. 7H Cimarex Energy Co. of Colorado

Unit N, Section 5 T26S-R32E; Lea County, NM

- 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 Jal, NM, west 29 miles on Highway 128. From the junction of County Road No 1 and Hwy 128, go South on County Road 10.4 miles to lease road, on lease road go west 1.5 miles to lease road.
- 2. Planned Access Roads: No new access road is planned. Well will share pad with #3H; access road built to #3H will service both locations.
- 3. Planned Electric line: Approximately 330', on-lease 3 phase 4 wire 480 volt E-line with 1, 330' span, 40' pole built to BLM Raptor specs will be constructed. E-line will follow the access road constructed for this shared pad site and connect to line constructed along Ross Road servicing Hallertau 5 Fed 4 battery in M5-26S-32E.
- 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"
  - As shown on Exhibits "A" E. Abandoned wells -

#### 5. Location of Proposed Production Facilities:

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If on completion this well is a producer, a tank battery will be used and the necessary production equipment will be installed on the shared section of the Hallertau 5 Federal #4H # 8H well pads site. Two (2) approximately 1050', SDR-11 poly pipes will be buried along proposed lease road and existing Ross road from the Hallertau 5 Fed 7H to the Hallertau 5 Fed 4 tank battery SWSW to carry oil, gas, and water, one line to provide return gas lift. See production facilities layout diagram. Any changes to the facilities or off-site 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

# Surface Use Plan Hallertau 5 Federal No. 7H Cimarex Energy Co. of Colorado Unit N, Section 5 T26S-R32E; Lea County, NM

#### 8. Ancillary Facilities:

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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 known dwellings within 1½ miles of this location.

Operator Certification Statement Hallertau 5 Federal No. 7H Cimarex Energy Co. of Colorado Unit N, Section 5 T26S-R32E; Lea County, NM

<u>Operator's Representative</u> Cimarex Energy Co. of Colorado 600 N. Marienfeld St., Ste. 600 Midland, TX 79701 Office Phone: (432) 571-7800 Zeno Farris

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**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.

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Executed thi	is 12	day of	October	,2012
NAME:	Ar	Tracie J Ch	<u>PAI</u>	
TITLE: Sr. Regulatory Analyst				
ADDRESS:	600 N. Mari Midland, TX		5te. 600	
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Field Representative: Same as above				

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Exhibit B



Exhibit C



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Exhibit A – One-Mile Radius Map Hallertau 5 Federal No. 7H Cimarex Energy Co. of Colorado 5-26S-32E SHL 330 FSL & 1830 FWL BHL 330 FNL & 1710 FWL Lea County, NM