

JUN 25 2013

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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 the junction of State Hwy 128 and Battle Axe Rd, go southwest on lease road 13.2 miles to lease road, then west on lease road for 2.3 miles, then on lease road go north 3.2 miles, then go west 0.7 miles to wellsite.

2. **Planned Access Roads:** No new access road planned.

3. **Planned Electric Line:** This well will share a pad with the Cascade 29 Federal 1H and electric lines have been previously installed. No new lines will be required.

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, the tank battery at the Cascade 29 Federal 1H will be used and the necessary production equipment will be installed at the wellsite. Allocation will be based on a meter installed at the wellsite. Any changes to the facility or off site facilities will be accompanied by a sundry notice.

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. 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 location.

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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.
- B. Mud pits in the closed circulation 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.

**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.

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 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

**10 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.

**11. On Site Notes and Information:**

On January 25, 2012, A BLM onsite meeting was held with Barry Hunt, Cimarex representative, Trish Badbear with the BLM, and Basin Suveys. The permitted location was approved. The Cascade 29 Federal #5H will share a pad with the Cascade 29 Federal #1H. V-door east. Top soil north. Frac pad north. Interim reclamation: north and east..

Operator Certification Statement

**Cascade 29 Federal 5H**

Cimarex Energy Co.

Unit D-Sec 29-25S-33E

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

**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 28th day of January, 2013

NAME:   
Paula Brunson

TITLE: Regulatory Compliance

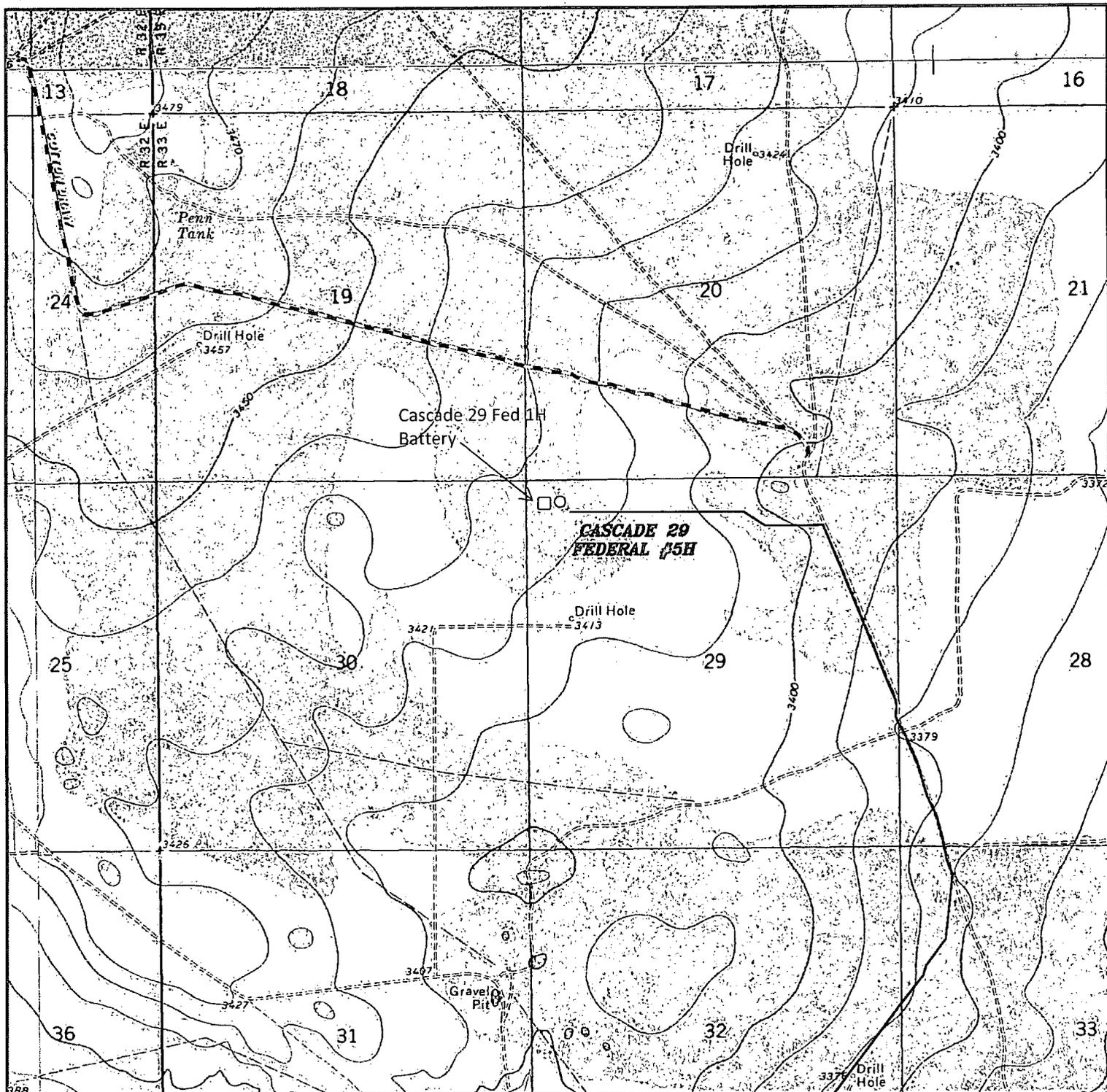
ADDRESS: 600 N. Marienfeld St., Ste. 600  
Midland, TX 79701

TELEPHONE: 432-571-7848

EMAIL: pbrunson@cimarex.com

Field Representative: Same as above





**CASCADE 29 FEDERAL #5H**  
 Located 330' FNL and 500' FWL  
 Section 29, Township 25 South, Range 33 East,  
 N.M.P.M., Lea County, New Mexico.

□ Battery



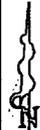
P.O. Box 1786  
 1120 N. West County Rd.  
 Hobbs, New Mexico 88241  
 (575) 393-7316 - Office  
 (575) 392-2206 - Fax  
 basin-surveys.com

W.O. Number: JMS 25978

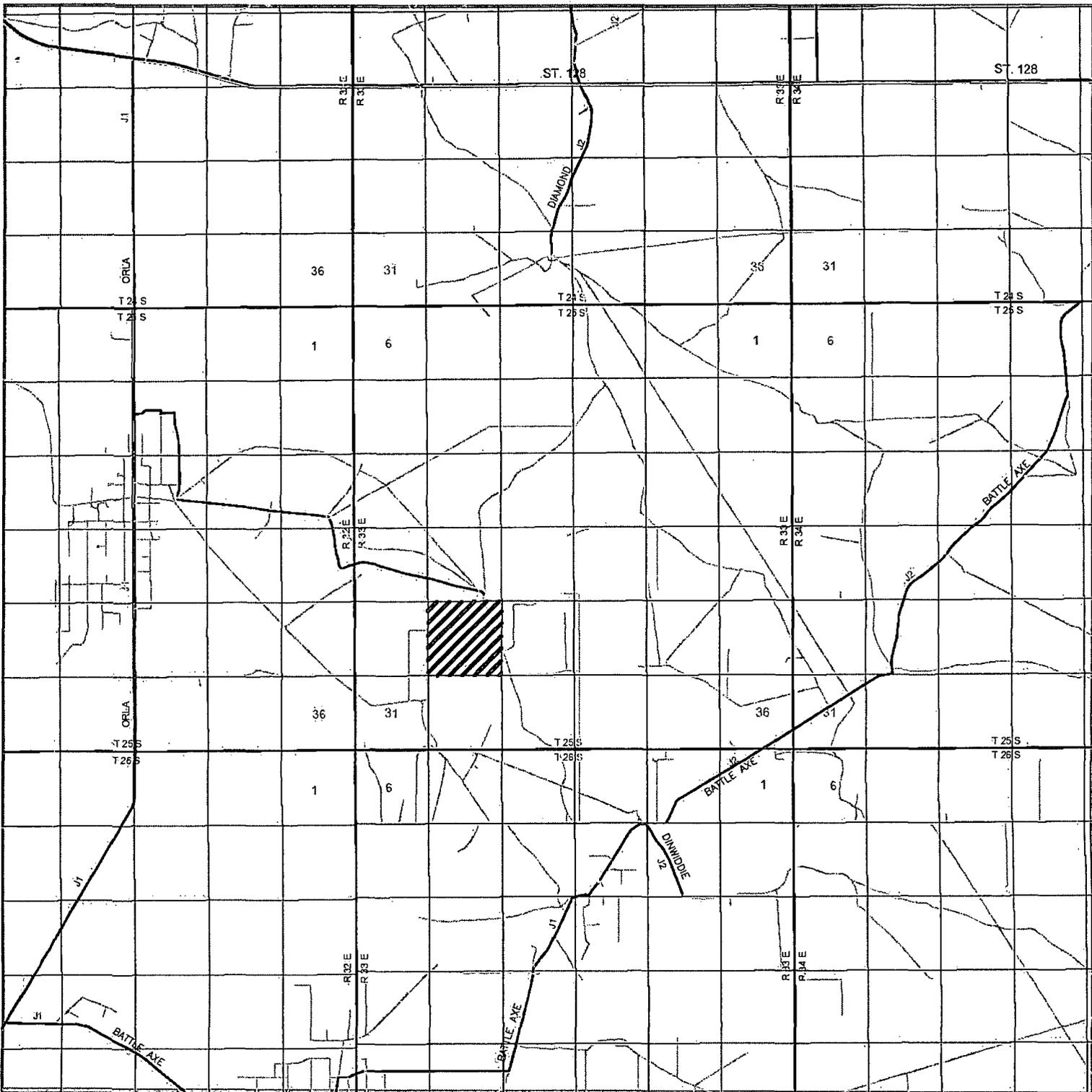
Survey Date: 01-28-2012

Scale: 1" = 2000'

Date: 01-30-2012



**CIMAREX  
 ENERGY CO.**



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 Located 330' FNL and 500' FWL  
 Section 29, Township 25 South, Range 33 East,  
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**basin**  
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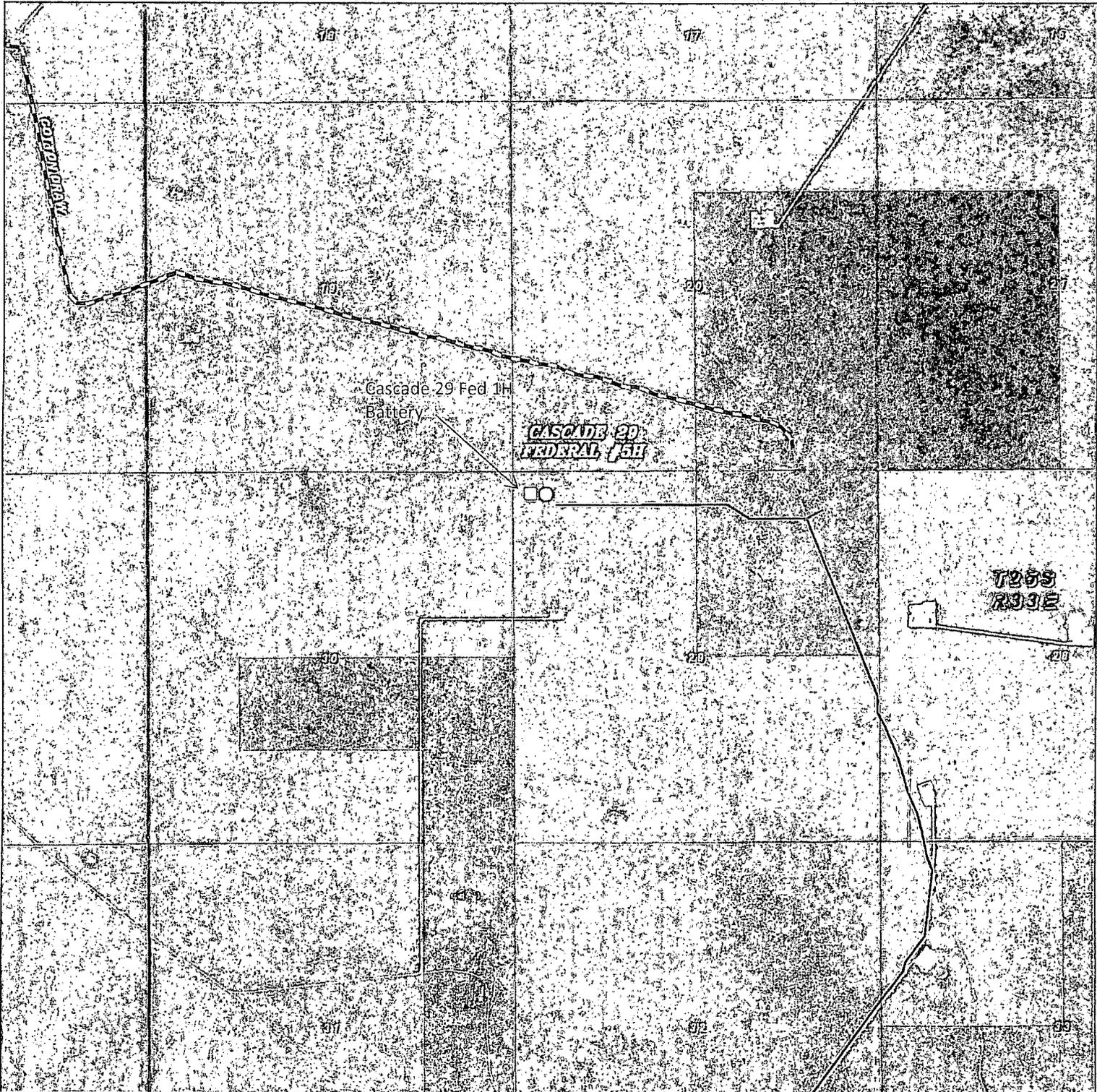
Survey Date: 01-28-2012

Scale: 1" = 2 Miles

Date: 01-30-2012



**CIMAREX**  
**ENERGY CO.**



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Battery

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Scale: 1" = 2000'

YELLOW TINT - USA LAND  
 BLUE TINT - STATE LAND  
 NATURAL COLOR - FEE LAND

**CIMAREX**  
**ENERGY CO.**

DRAPER  
17 MILL

SHL Cascade 29 Fed 5H

BHL Cascade 29 Fed 5H

Exhibit A - One-Mile Radius Map  
Cascade 29 Federal 5H  
Cimarex Energy Company  
29-25S-33E  
SHL 330 FNL & 500 FWL  
BHL 330 FSL & 970 FWL  
Lea County, NM

