

30-025-41241

HOBBS OCD

JUN 25 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," 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 to proposed lease road.

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

3. **Planned Electric Line:** Approximately 40' of 480 volt, 4 wire, 3 phase, 1 span of 40' poles, raptor spec E-line will be constructed to connect to existing e-line along access road to the Cascade 29 Federal #1H battery.

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 wellsite will be used and the necessary production equipment will be installed. Construct & install two 4" buried HP poly lines, approximately 2630' each, down existing lease road to carry oil, gas, & water to the Cascade 29 Federal #1H battery. Gas lift will be provided by HP poly line buried in the same trench along access road, approximately 2630', to the Cascade 29 Federal #1H battery. Allocation will be based on well test. MAOP 1500 psi anticipated working pressure 200-300 psi. 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.

JUN 27 2013

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 know dwellings within 1½ miles of this location.

11. On Site Notes and Information:

On August 4, 2011, A BLM onsite meeting was held with Barry Hunt, Cimarex representative, Trish Badbear with the BLM, and Basin Suveys. The permitted location was approved, with V-door east and top soil north. Interim reclamation: east, north, and west. Access road from southeast corner to the east.

Operator Certification Statement
Cascade 29 Federal 3H
Cimarex Energy Co. of Colorado
UL B - 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 7th day of February, 2013

NAME: 
Paula Brunson

TITLE: Regulatory Analyst

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

TELEPHONE: 432-571-7848

EMAIL: pbrunson@cimarex.com

Field Representative: Same as above

Operator - Landowner Agreement

Company: Cimarex Energy Co. of Colorado

Proposed Well: Cascade 29 Federal 3H

Federal Lease Number: NMNM026394

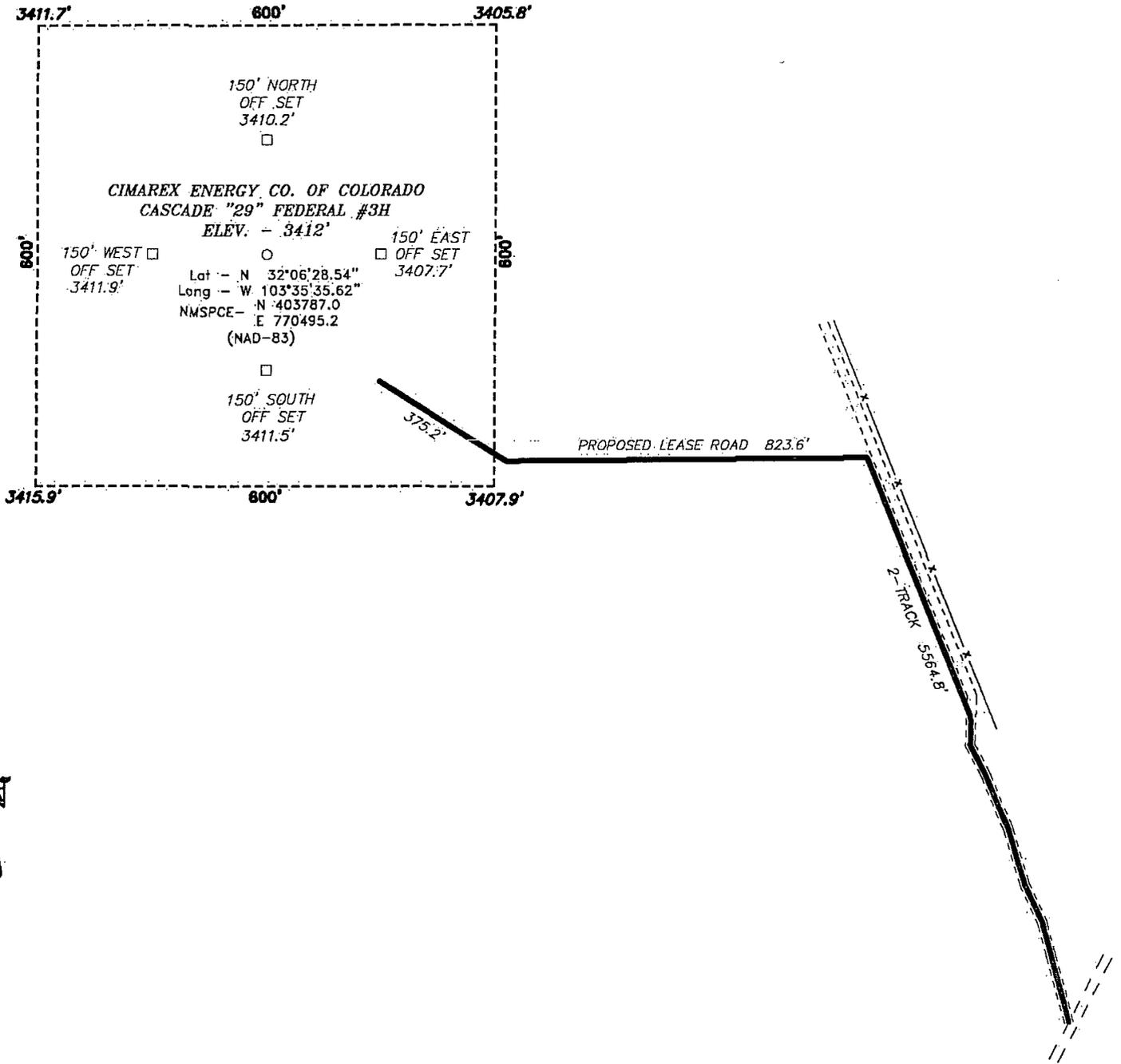
This is to advise that Cimarex Energy Co. or Colorado has an agreement with: Brinninstool XL Ranch, LLC, Chris Brinninstool (P.O. Box 940, Jal, NM 88252, 575-225-2870), the surface owner, concerning entry and surface restoration after completion of drilling operations at the above described well.

After abandonment of the well, all pits will be filled and levelled and all equipment and trash will be removed from the well site. No other requirements were made concerning restoration of the well site.

February 7, 2013
Date


Signature Paula Brunson

SECTION 29, TOWNSHIP 25 SOUTH, RANGE 33 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



Directions to Location:

FROM THE JUNCTION OF BATTLE AXE AND EPNG ROAD, GO WEST ON EPNG ROAD FOR 2.3 MILES TO LEASE ROAD, ON LEASE ROAD GO NORTH 2.2 MILES TO PROPOSED LEASE ROAD.

CIMAREX ENERGY CO. OF COLORADO

REF: CASCADE "29" FEDERAL #3H / WELL PAD TOPO

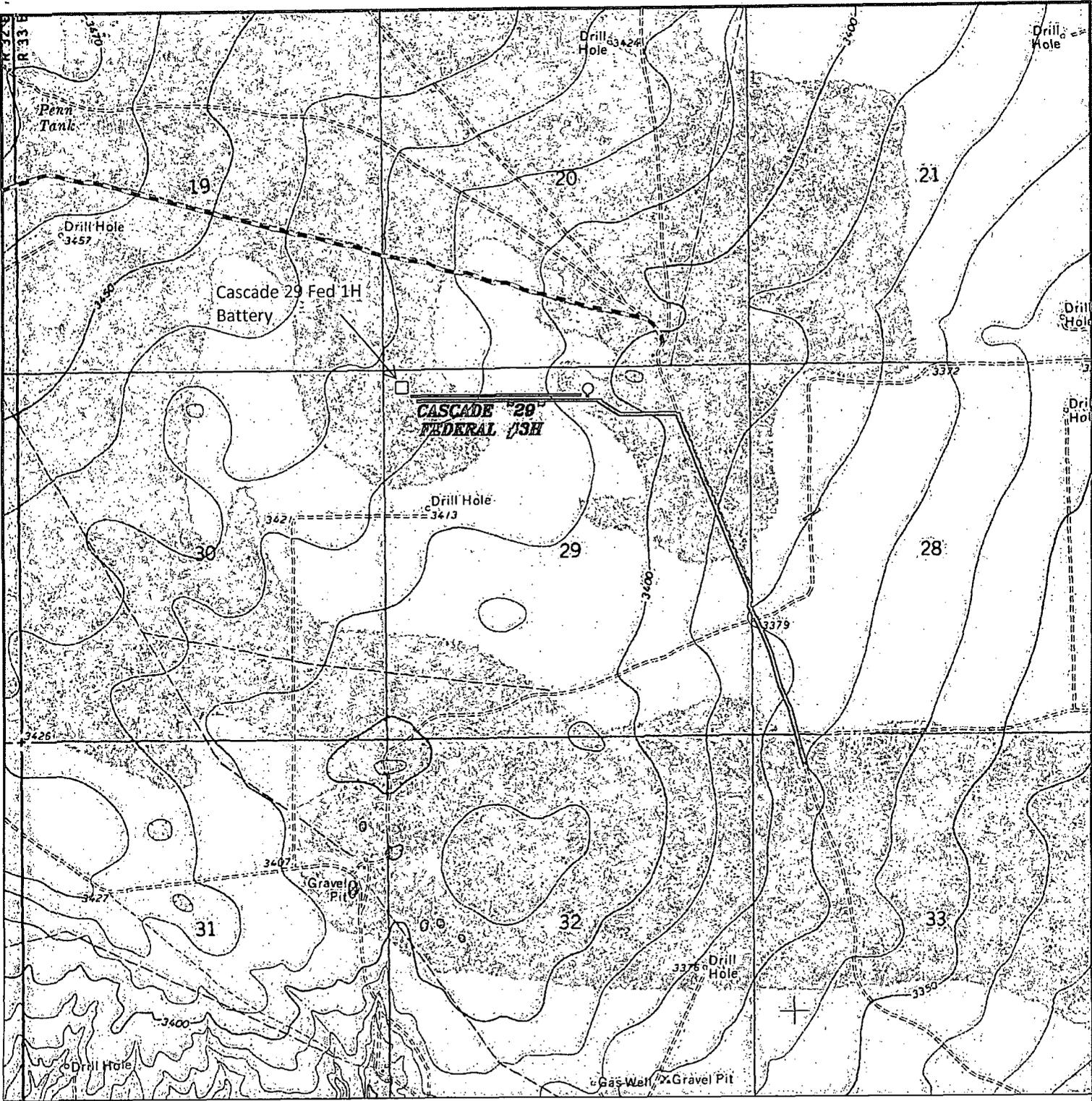
THE CASCADE "29" FEDERAL #3H LOCATED 330' FROM THE NORTH LINE AND 2310' FROM THE EAST LINE OF SECTION 29, TOWNSHIP 25 SOUTH, RANGE 33 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO.

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

W.O. Number: 25106 Drawn By: J. SMALL

Date: 08-08-2011 Disk: JMS 25106

Survey Date: 08-06-2011 Sheet 1 of 1 Sheets



CASCADE "29" FEDERAL #3H
 Located 330' FNL and 2310' FEL
 Section 29, Township 25 South, Range 33 East,
 N.M.P.M., Lea County, New Mexico.

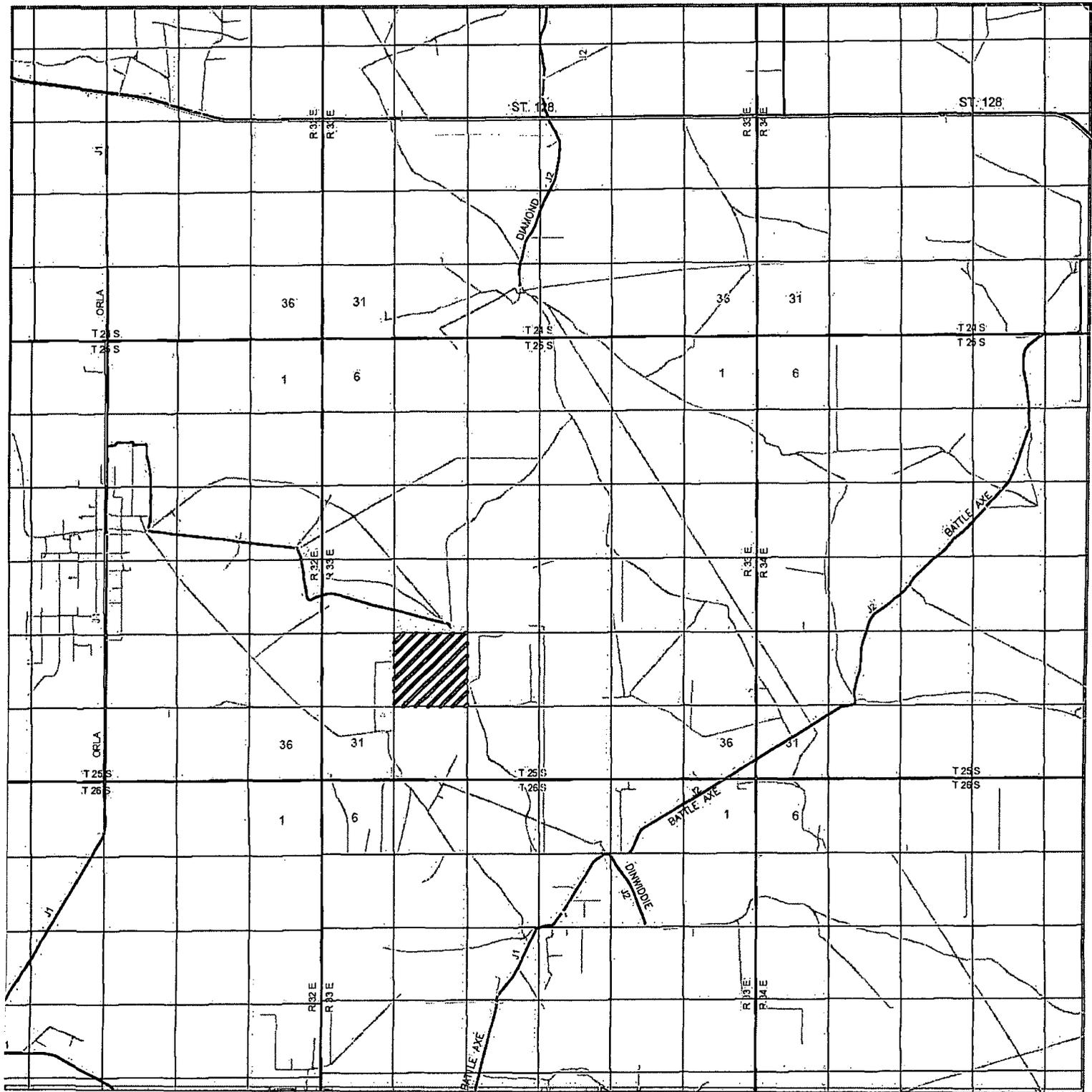
- Battery
- Flowline
- E-Line

basin surveys
 focused on excellence
 in the oilfield

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 25106
Survey Date: 08-06-2011
Scale: 1" = 2000'
Date: 08-08-2011

**CIMAREX
 ENERGY CO.
 OF COLORADO**



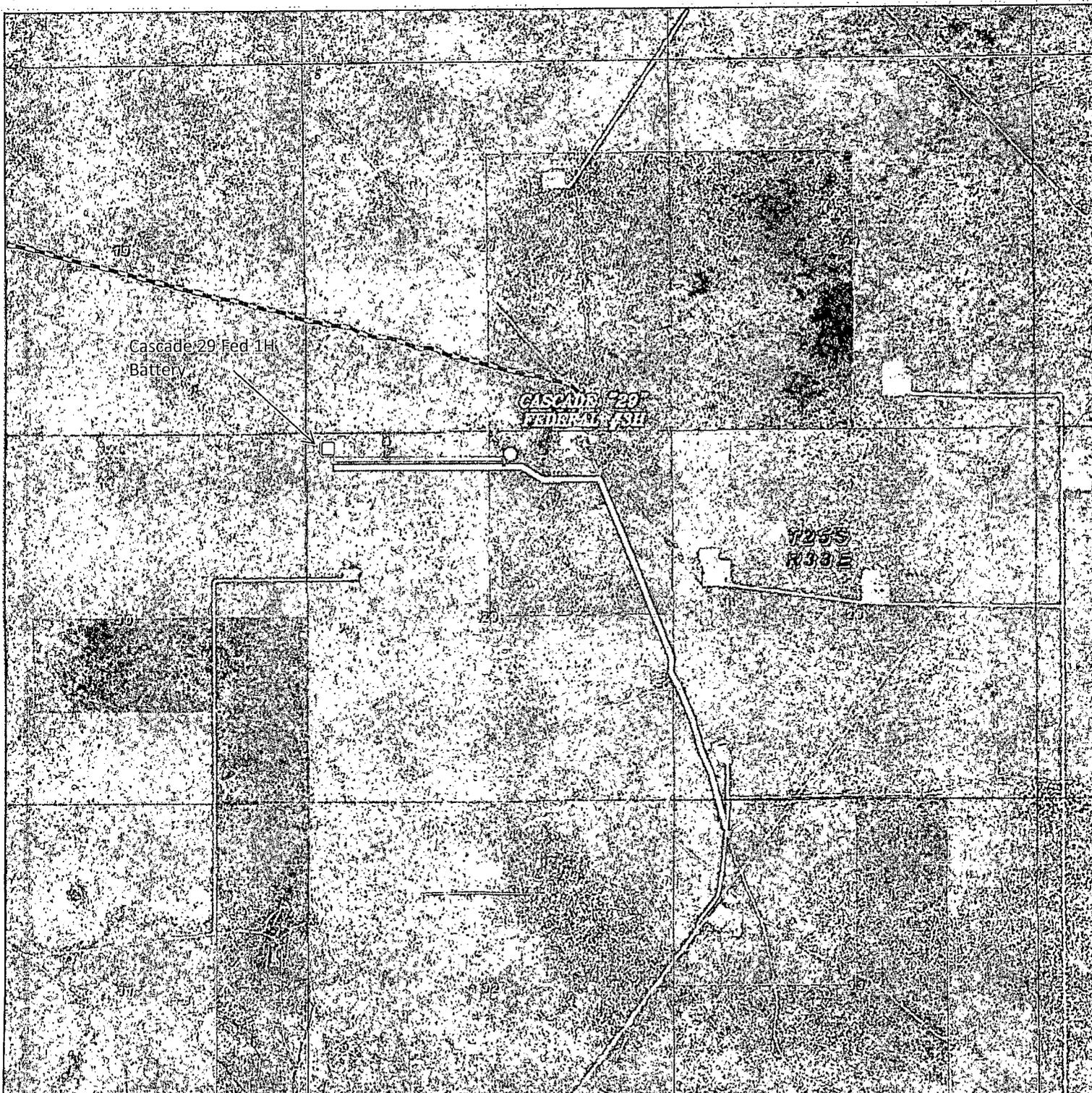
CASCADE "29" FEDERAL #3H
 Located 330' FNL and 2310' FEL
 Section 29, Township 25 South, Range 33 East,
 N.M.P.M., Lea County, New Mexico.

basin surveys
 focused on excellence
 in the oilfield

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

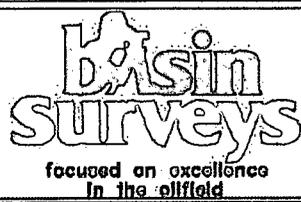
W.O. Number:	JMS 25106
Survey Date:	08-06-2011
Scale:	1" = 2 Miles
Date:	08-08-2011

**CIMAREX
 ENERGY CO.
 OF COLORADO**



CASCADE "29" FEDERAL #3H
 Located 330' FNL and 2310' FEL
 Section 29, Township 25 South, Range 33 East,
 N.M.P.M., Lea County, New Mexico.

- Battery
- Flowline
- E-Line



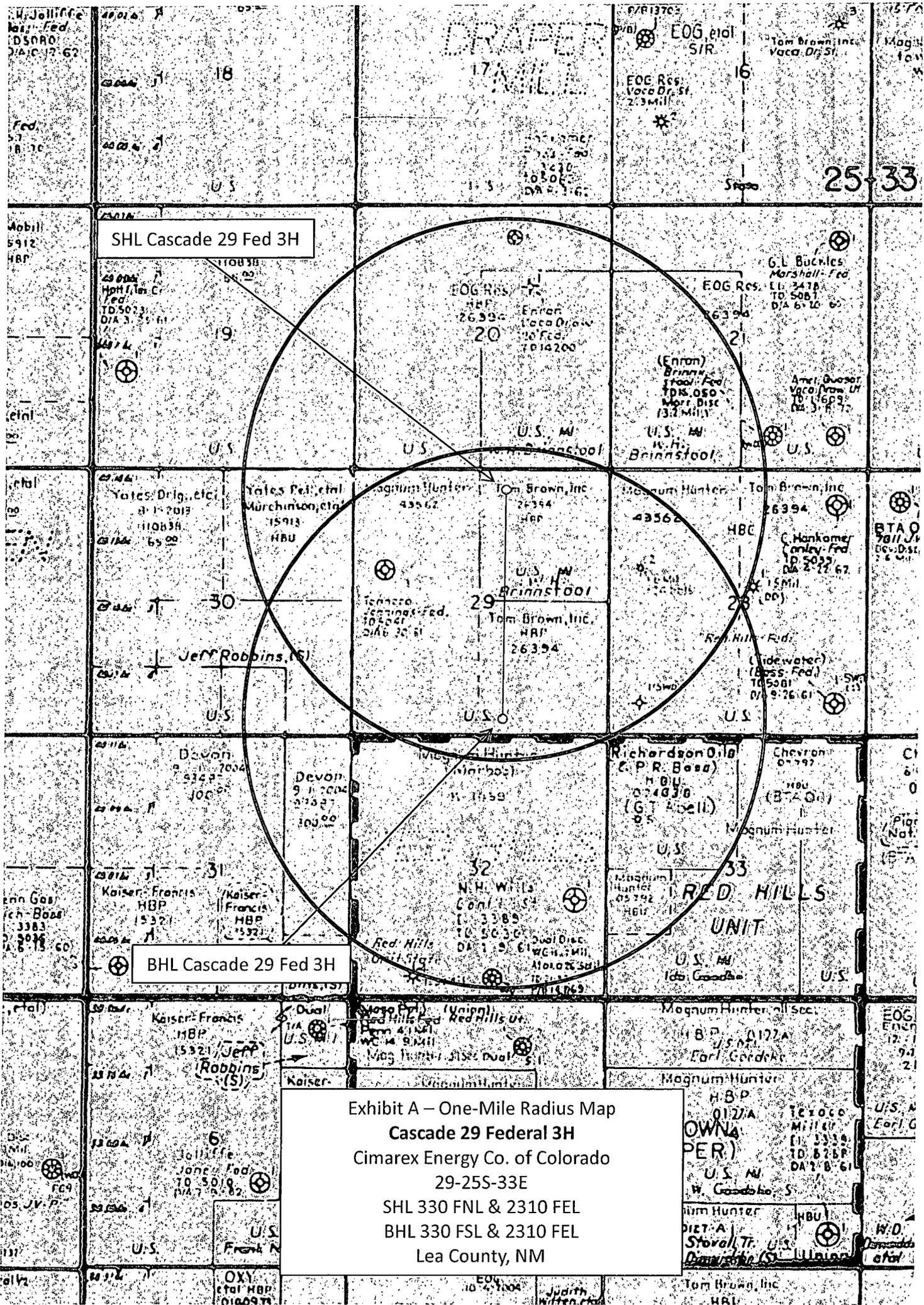
P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
 (575) 392-2206 - Fax
 basinsurveys.com

W.O. Number: JMS 25106

Scale: 1" = 2000'

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

**CIMAREX
 ENERGY CO.
 OF COLORADO**



SHL Cascade 29 Fed 3H

BHL Cascade 29 Fed 3H

Exhibit A – One-Mile Radius Map
 Cascade 29 Federal 3H
 Cimarex Energy Co. of Colorado
 29-25S-33E
 SHL 330 FNL & 2310 FEL
 BHL 330 FSL & 2310 FEL
 Lea County, NM

RED HILLS UNIT

Kaiser-Francis
 HBP
 15321
 Jeff Robbins (S)

Magnum Hunter
 HBP
 43562
 Tom Brown, Inc.
 HBP
 26394

Magnum Hunter
 HBP
 43562
 Tom Brown, Inc.
 HBP
 26394

Jolliffe
 Jones Fed
 TD 5019
 DIA 7-8-82

Magnum Hunter
 HBP
 43562
 Tom Brown, Inc.
 HBP
 26394

Magnum Hunter
 HBP
 43562
 Tom Brown, Inc.
 HBP
 26394

OXY
 etal HBP
 010097

Magnum Hunter
 HBP
 43562
 Tom Brown, Inc.
 HBP
 26394

Magnum Hunter
 HBP
 43562
 Tom Brown, Inc.
 HBP
 26394