

JUN 27 2013

30-025-41251

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ELG 7-3-2013

1. Existing Roads: Area maps: 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 mile marker 18 of Hwy 128; Go SE 0.7 miles to lease road, go NE 2.3 miles turning N 0.4 miles then NW 0.3 miles, then N again 0.3 miles, turn E 0.1 miles, turning N 0.5 miles to lease road.

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

3. Planned Electric Line: Excell power line is just north & east of the proposed wellsite. Cimarex will intercept the existing electric line coming from the East or North side of the well site. The proposed overhead electric line to the Excell power line would be approximately 30' in length. One 40' pole, 480 volt, 4 wire, 3 phase.

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, a tank battery will be used and the necessary production equipment will be 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.

JUL 09 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 recontoured 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 March 7, 2013, A BLM onsite meeting was held with Barry Hunt, Cimarex representative, Amanda Lynch with the BLM, and Basin Suveys. The permitted location was approved. Location moved 145 ft. north and 100 ft. west so as to fit from old reserve pit to the south, road and power line to the east and primary power line to the north. V-Door East. Top soil west. Battery South. No reclamation due to battery pad. Access road from the southeast corner to adjacent lease road. (Power will start from this pad.)

Operator Certification Statement

James Federal #20H

Cimarex Energy Co. of Colorado

UL: C, Sec. 29-23S-32E

Lea County, NM

Operator's Representative

Cimarex Energy Co. of Colorado

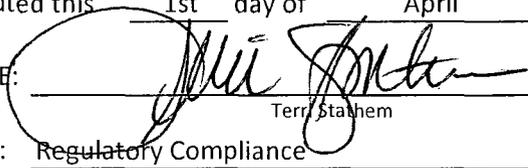
500 N. Marienfeld St., Ste. 600

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 1st day of April, 2013

NAME:   
Terry Stathem

TITLE: Regulatory Compliance

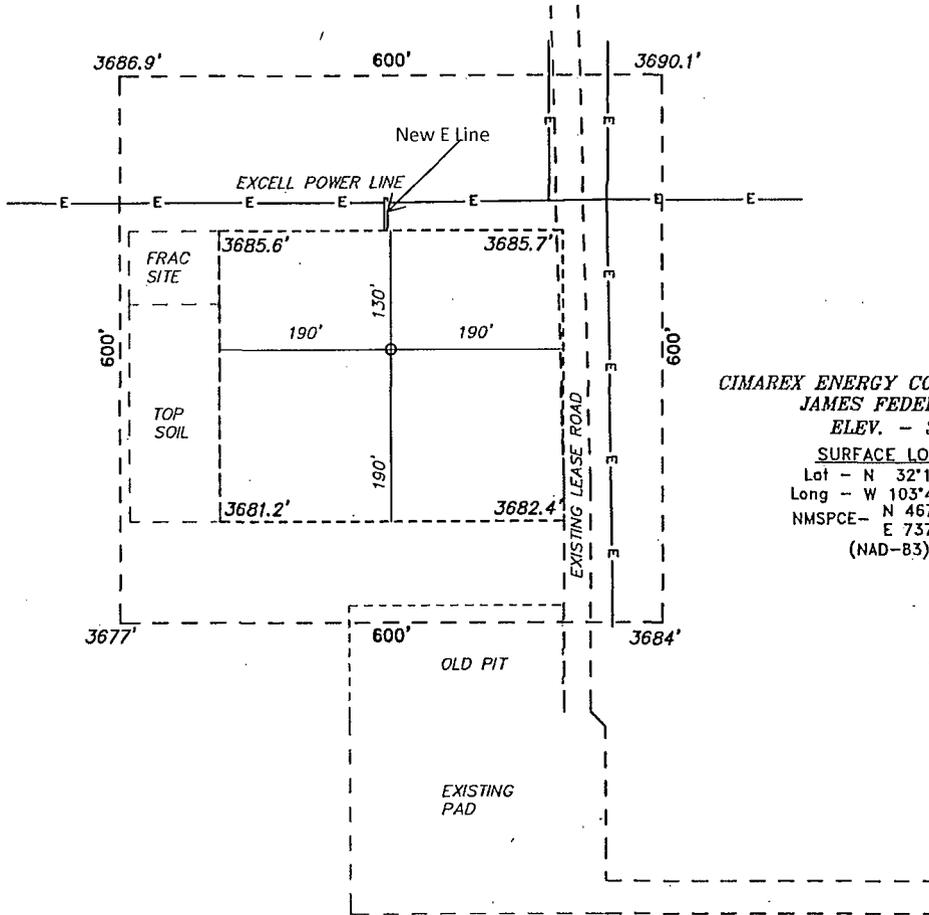
ADDRESS: 600 N. Marienfeld St., Ste. 600  
Midland, TX 79701

TELEPHONE: 432-571-7848

EMAIL: tstathem@cimarex.com

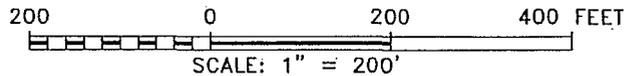
Field Representative: Same as above

SECTION 29, TOWNSHIP 23 SOUTH, RANGE 32 EAST, N.M.P.M.,  
LEA COUNTY, NEW MEXICO.



CIMAREX ENERGY CO. OF COLORADO  
 JAMES FEDERAL #20  
 ELEV. - 3685'  
 SURFACE LOCATION  
 Lat - N 32°16'56.25"  
 Long - W 103°41'56.77"  
 NMSPC - N 467010.5  
 E 737338.0  
 (NAD-83)

LOVING NM IS APPROXIMATELY 23 MILES WEST OF LOCATION.



FROM THE MILE MARKER 18 OF HWY 128; TO SOUTHEAST  
 0.7 MILES TO LEASE ROAD, GO NORTHEAST 2.3 MILES  
 TURNING NORTH 0.4 MILES THENCE NORTHWEST 0.3 MILES  
 THENCE NORTH AGAIN 0.3 MILES TURNING EAST 0.1 MILES  
 TURNING NORTH AGAIN 0.5 MILES TO PROPOSED LEASE  
 ROAD FOR JAMES FEDERAL WELLS.

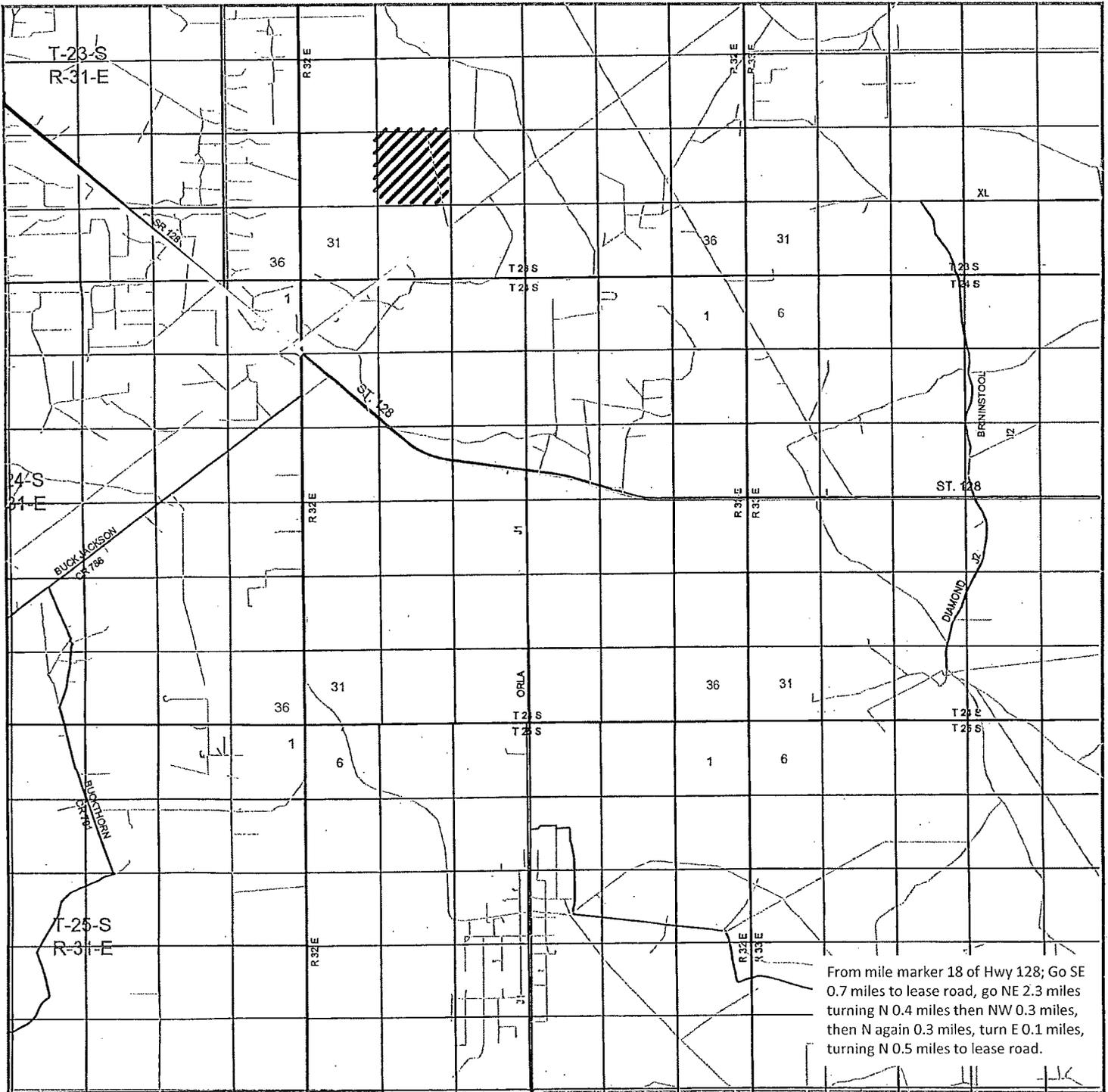
<b>CIMAREX ENERGY CO. OF COLORADO</b>	
REF: JAMES FEDERAL #20H/ WELL PAD TOPO	
THE JAMES FEDERAL #20H LOCATED 185'	
FROM THE NORTH LINE AND 1880' FROM THE WEST LINE OF	
SECTION 29, TOWNSHIP 23 SOUTH, RANGE 32 EAST,	
N.M.P.M., LEA COUNTY, NEW MEXICO.	

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

W.O. Number: 28245 Drawn By: D. JONES

Date: 03-13-2013 Disk: DAJ 28245

Survey Date: 03-07-2013 Sheet 1 of 1 Sheets



From mile marker 18 of Hwy 128; Go SE 0.7 miles to lease road, go NE 2.3 miles turning N 0.4 miles then NW 0.3 miles, then N again 0.3 miles, turn E 0.1 miles, turning N 0.5 miles to lease road.

**JAMES FEDERAL 20H**  
 Located 185' FNL and 1880' FWL  
 Section 29, Township 23 South, Range 32 East,  
 N.M.P.M., LEA County, New Mexico.

Public Rd Access Route

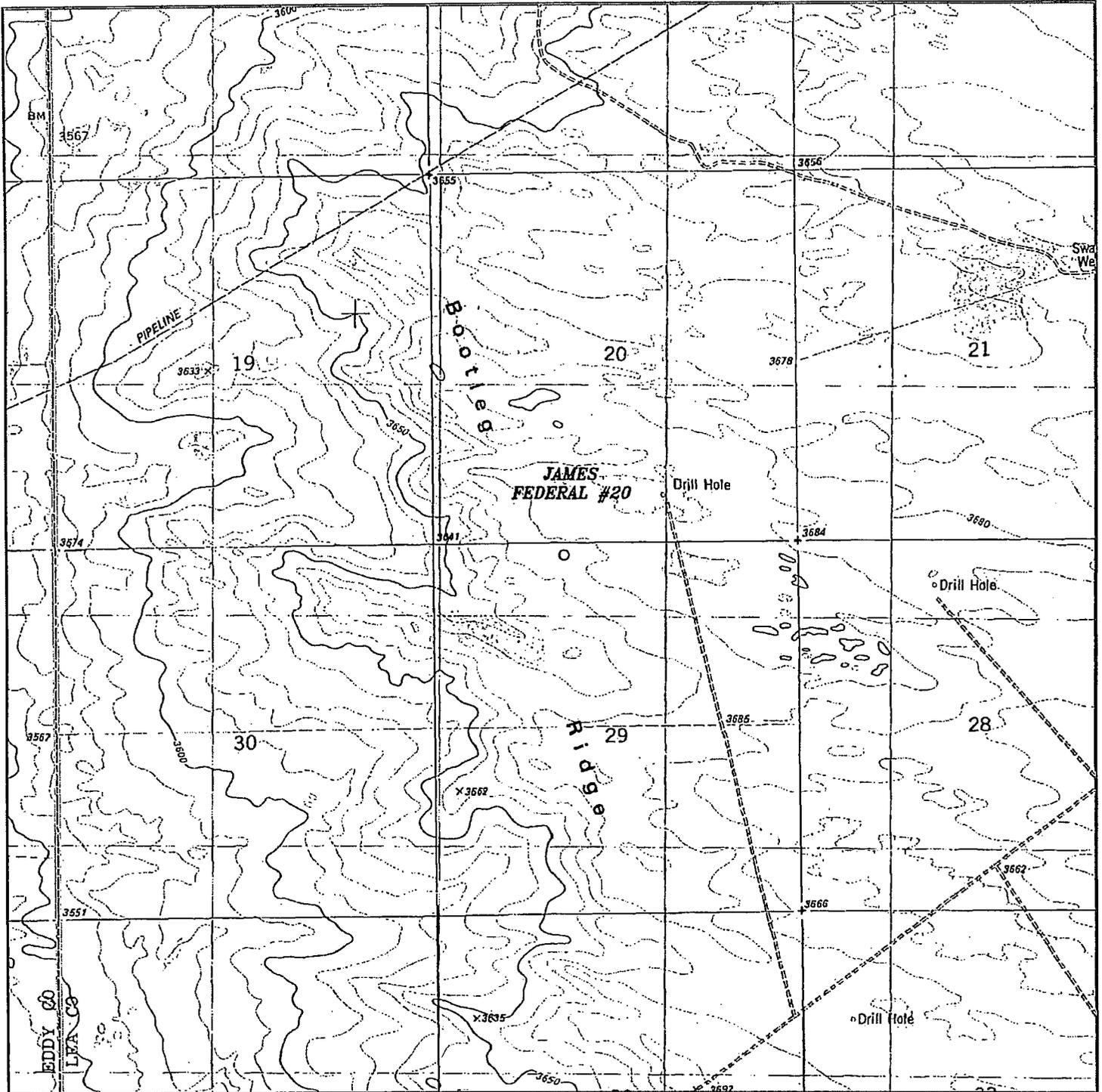
**basin surveys**  
 focused on excellence in the oilfield

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:	DAJ 28245
Survey Date:	03-07-2013
Scale:	1" = 2 Miles
Date:	03-13-2013

**CIMAREX ENERGY CO. OF COLORADO**

Exhibit B



**JAMES FEDERAL 20H**  
 Located 185' FNL and 1880' FWL  
 Section 29, Township 23 South, Range 32 East,  
 N.M.P.M., LEA County, New Mexico.



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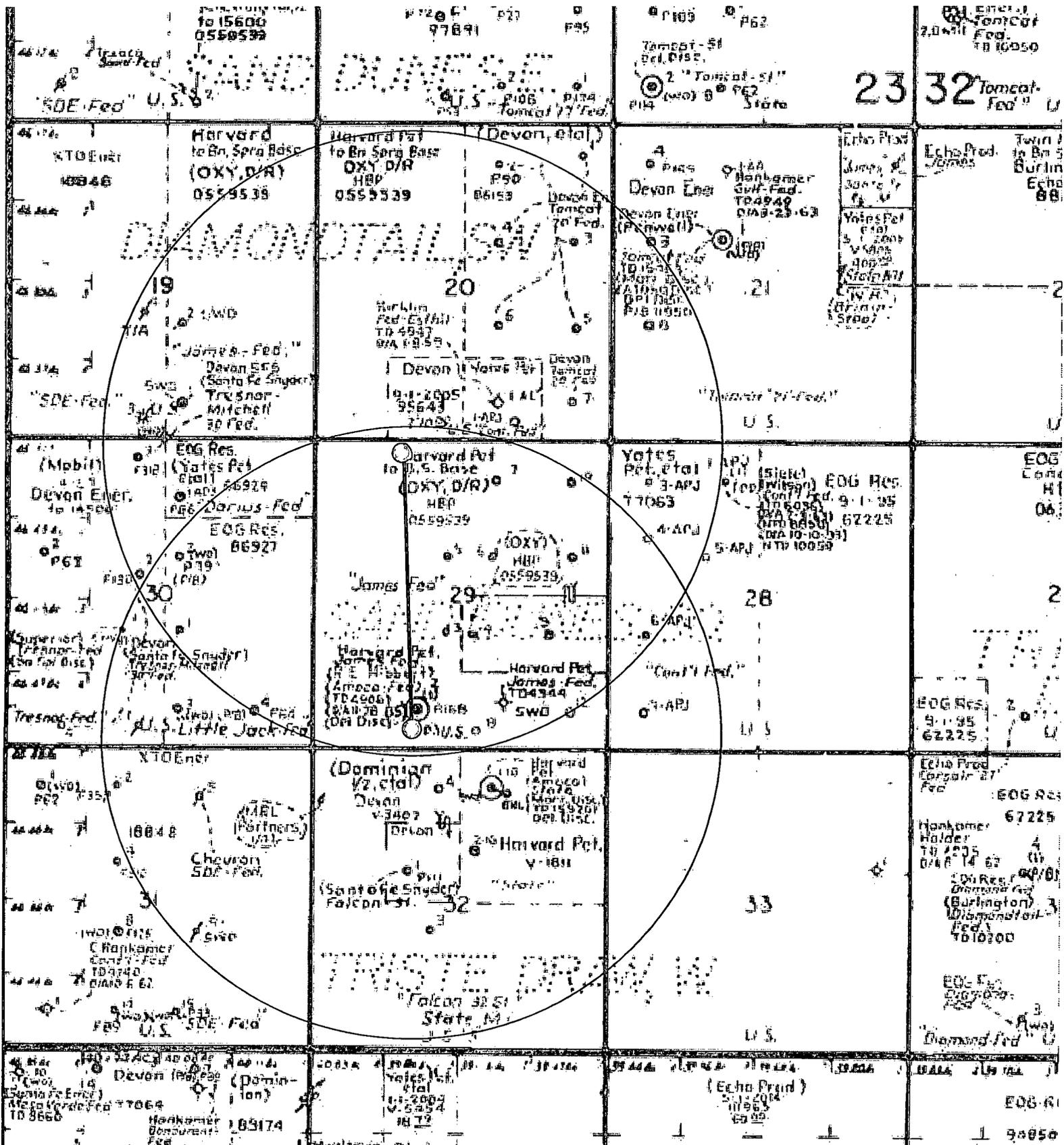
W.O. Number: DAJ 28245

Survey Date: 03-07-2013

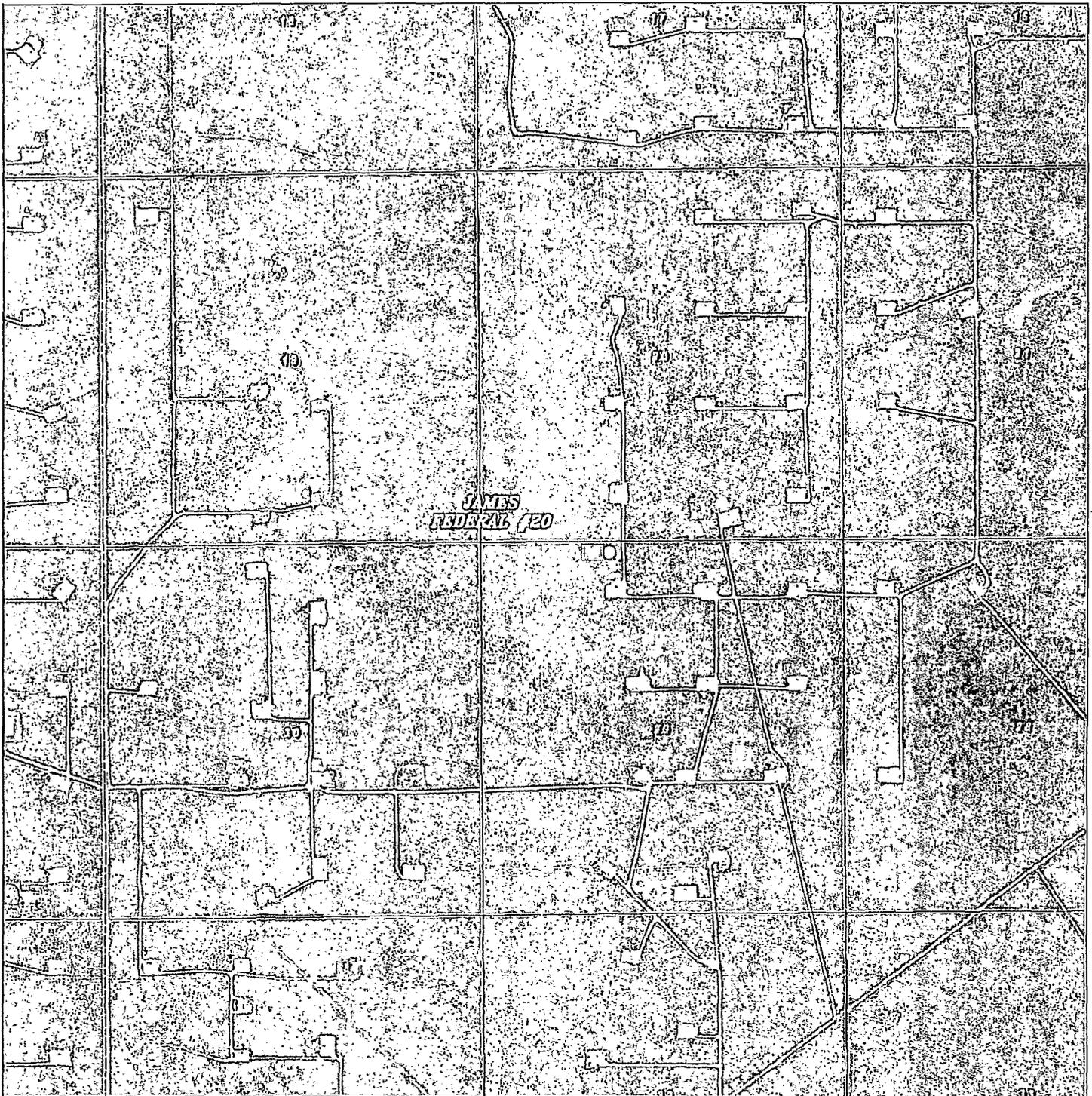
Scale: 1" = 2000'

Date: 03-13-2013

**CIMAREX  
 ENERGY CO.  
 OF COLORADO**



**Exhibit A – One-Mile Radius Map**  
**James Federal #20H**  
 Cimarex Energy Co. of Colorado  
 29-23S-32E  
 SHL 185 FNL & 1880 FWL  
 BHL 330 FSL & 1980 FWL  
 Lea County, NM



**JAMES FEDERAL 20H**

Located 185' FNL and 1880' FWL

Section 29, Township 23 South, Range 32 East,  
N.M.P.M., LEA County, New Mexico.

□ Battery

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in the oilfield

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W.O. Number: DAJ 28245

Scale: 1" = 2000'

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

**CIMAREX**  
**ENERGY CO.**  
**OF COLORADO**