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Surface Use Plan Cotton Draw 9L Federal #3H Cimarex Energy Co. UL: M, Sec. 9, 25S, 32E LEA Co., NM

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The following surface use plan of operations will be followed and carried out once the APD is approved. No other disturbance will be created other than what is submitted in this surface use plan without approval. If any other disturbance is needed after the APD is approved, a BLM approved sundry notice or right of way application will be submitted for approval prior to any new surface disturbance.

1.Existing Roads:

Area maps: Exhibit "B" - reproduction of Eddy Co. General Highway Map. Exhibit "C" - reproduction of a USGS Topographic Map. Exhibit "C-1" - well site layout map. Exhibits "C," C-1" - existing roads map.

The maximum width of the driving surface will be 14.' 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.

Existing access road route to the proposed project is depicted on the public access point map if applicable. Improvements to the driving surface will be done where necessary. No new surface disturbance will be done, unless otherwiswe noted in the New or Reconstructed Access Roads section of the surface use plan.

If existing roads are used, the operator will improve or maintain existing roads in a condition the same as or better than before the operations began. The operator will repair pot holes, etc. All existing structures on the entire access route such as cattleguards, other range improvement projects, culverts, etc. will be properly repaired or replaced if they are damaged or have deterioated beyond practical use.

The operator will prevent and abate fugitive dust as needed, whether created by vehicular traffic, equipment operations, or other events.

2. New or Reconstructed Access Roads:

A new road will be constructed for this project.

Cimarex Energy plans to construct 1618' of new on-lease access road to service the well. The planned access road does not cross lease boundaries, a right of way grant will not be acquired from the BLM.

The maximum width of the driving surface will be 14'. 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.

New access road route to the proposed project is depicted on the public access point map and Exhibit C-1. Improvements to the driving surface will be done where necessary. No new surface disturbance will be done without prior approval from the BLM.

The operator will prevent and abate fugitive dust as needed, whether created by vehicular traffic, equipment operations, or other events.

3. Planned Electric Line:

Cimarex Energy plans to construct a new on lease electric line to service the well.

Cimarex Energy plans to install an on lease overhead electric line from the proposed well to an existing overhead electric line at the Cotton Draw 9L Federal #2H. The proposed electric line will be 1618' in length. 4-40'poles, 480 volt, 4 wire, 3 phase. The electric line will exit off the SE side of the well location and travel SE for 1618' along the access road until it would inercept the existing electric line. The electric line will be routed on the south side of the access road and 10-20' from and parallel to the access road. Please see Exhibit C for proposed route information.

4. Location of Existing Well in a One-Mile Radius -Exhibit A:

- Water Wells None known
- Disposal Wells None known
- Drilling Wells None known
- Producing Wells As shown on Exhibit A
- Abandoned Wells As shownd on Exhibit A

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5. Location of Existing or 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 and production will be sent to the Cotton Draw 9L Federal #2H Battery. Cimarex Energy proposes to install two 4 inch buried HP polylines down existing lease road to the Cotton Draw 9L Federal #2H Battery.

Cimarex Energy plans to construct flowlines to service the well.

Specifications of Polyline: 1 HP polyline for oil, gas, and water production. 1 HP polyline for gas lift.

Both lines will be buried 25'-35' South of the access road.

Length: 1618'

MAOP: 1500 psi, Anticipated working pressure: 200-300 psi.

Allocation will be based on well test. Route is within lease boundaries, please see Exhibit C. Any changes to flowline route will be submited via 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. The primary way of obtaining caliche will be by "turning over" the location. This means caliche will be obtained from the actual well site. A caliche permit will be obtained from BLM prior to pushing up any caliche. 2400 cu yds is the max amount of caliche needed for pad and roads. Amount will vary for each pad. The procedure below has been approved by BLM personnel:

- The top 6 inches of topsoil is pushed off and stockpiled along the side of the location.
- An approximate 120' x 120' area is used within the proposed well site to remove caliche.
- Subsoil is removed and piled alongside the 120' by 120' area within the pad site.
- When caliche is found, material will be stockpiled within the pad site to build the location and road.
- Then subsoil is pushed back in the hole and caliche is spread accordingly across entire location and road.
- Once well is drilled, the stockpiled top soil will be used for interim reclamation and spread along areas where caliche is
 picked up and the location size is reduced. Neither caliche nor subsoil will be stockpiled outside of the well pad. Topsoil will
 be stockpiled along the edge of the pad as depicted in Exhibit D Rig Layout Diagram.

In the event that no caliche is found onsite, caliche will be hauled in from a BLM-approved caliche pit.

8. Ancillary Facilities:

No camps or airstrips to be constructed.

9. Well Site Layout:

- Exhibit "D" shows location and rig layout.
- Mud pits in the closed circulation system will be steel pits and the cuttings will be stored in steel containment pits.
- · Cuttings will be stored in steel pits until they are hauled to a state-approved disposal facility.

 If the well is a producer, those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.

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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.

In areas planned for interim and final reclamation, surfacing materials will be removed and returned to a mineral pit or recycled to repair or build roads and well pads.

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 porduction facilities and operations will be reclaimed and seeded per BLM requirements. Please see Production Facilities Layout Diagram, exhibit D-1

11. Methods of Handling Waste

- Drilling fluids, produced oil, and water from the well during drilling and completion operations will be stored safely and disposed of properly in a NMOCD approved disposal facility.
- Garbage and trash produced during drilling and completion operations will be collected in a trash container and disposed of
 properly at a state approved disposal facility. All trash on and around well site will be collected for disposal.
- Human waste and grey water will be properly contained and disposed of properly at a state approved disposal site.
- After drilling and completion operations, trash, chemicals, salts, frac sand and other waste will be removed and disposed of
 properly at a state approved disposal site.
- The well will be drilled utilizing a closed loop system. Drill cuttings will be properly disposed of into steel tanks and taken to an NMOCD approved disposal facility.

12. Other Information:

- Topography consists of a sloping plane with loose tan sands. Vegetation is mainly yucca, mesquite and shin oak.
- 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.
- 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.
- There are no known dwellings within 1¹/₂ miles of this location.

13. On Site Notes and Information:

On October 2, 2012, A BLM onsite meeting was held with Barry Hunt, Cimarex representative, Trisha Badbear with the BLM, and Basin Suveys. The permitted location was approved. V-Door East. Top soil north. Interim reclamation: All 4 sides. Access road from the southeast corner, east, to the Cotton Draw.9L #2H well. Battery will be on the south side of the 2H well.

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Operator Certification Statement Cotton Draw 9L Federal Com 3 Cimarex Energy Co. Unit M, Sec 9, 25S-32E 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

1

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 thi	s <u>26th</u>	day of	February	_, _	2013
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