

JAN 13 2014

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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 Fuggles 24 Fed Com #1H Bty. Cimarex Energy proposes to install two 4 inch buried HP polylines down existing lease road to the Fuggles 24 Fed Com #1H Bty battery.

Cimarex Energy plans to construct on lease 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' North of the access road.

Length: 1600'

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

Allocation will be based on well test. Route is on lease, please see Exhibit C. Any changes to on lease route will be submitted via sundry notice. If route is off lease, a right of way will be submitted to the BLM for approval.

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. 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.

9. Ancillary Facilities:

No camps or airstrips to be constructed.

10. 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.

JAN 15 2014

Surface Use Plan
Fuggles 24 Federal Com 2H
Cimarex Energy Co.
UL: C, Sec. 24, 25S, 32E
Co., NM

11. 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 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

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 BLM. 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 1½ miles of this location.

13. On Site Notes and Information:

Onsite 8/29/12. Barry Hunt, Trisha Badbear and Basin Surveys on location. OK where staked. V-Door North. Top soil west. Interim reclamation: all 4 sides. Access road from the northeast corner, north, to the existing lease road.

Operator Certification Statement

Fuggles 24 Federal Com 2H

Cimarex Energy Co. of Colorado

Unit C, Section 24

T25S-R32E; 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.

Tracie J Cherry

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 28 day of September, 2012

NAME:  _____
Tracie J Cherry

TITLE: Sr. Regulatory Analyst

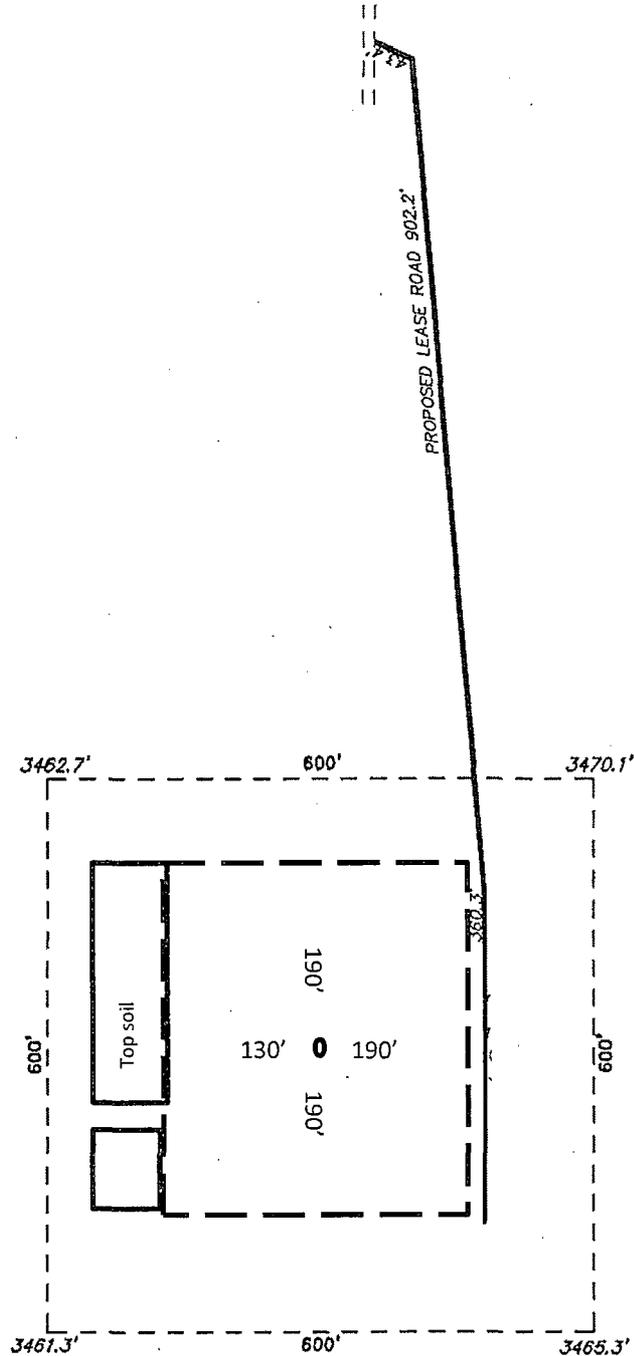
ADDRESS: 600 N. Marienfeld St., Ste. 600
Midland, TX 79701

TELEPHONE: (432) 620-1949

EMAIL: tcherry@cimarex.com

Field Representative: Same as above

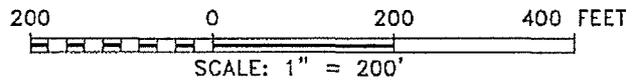
SECTION 24, TOWNSHIP 25 SOUTH, RANGE 32 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



JAI, NM IS ± 26 MILES TO THE EAST OF THE LOCATION

Directions to Location:

FROM THE INTERSECTION OF COUNTY ROAD ONE AND COTTON DRAW ROAD GO EAST ON COTTON DRAW ROAD 2.6 MILES THEN GO SOUTH ON LEASE ROAD 224.1' TO BEGIN ROAD LATHE ON EAST.



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

W.O. Number: 27259 | Drawn By: D. JONES

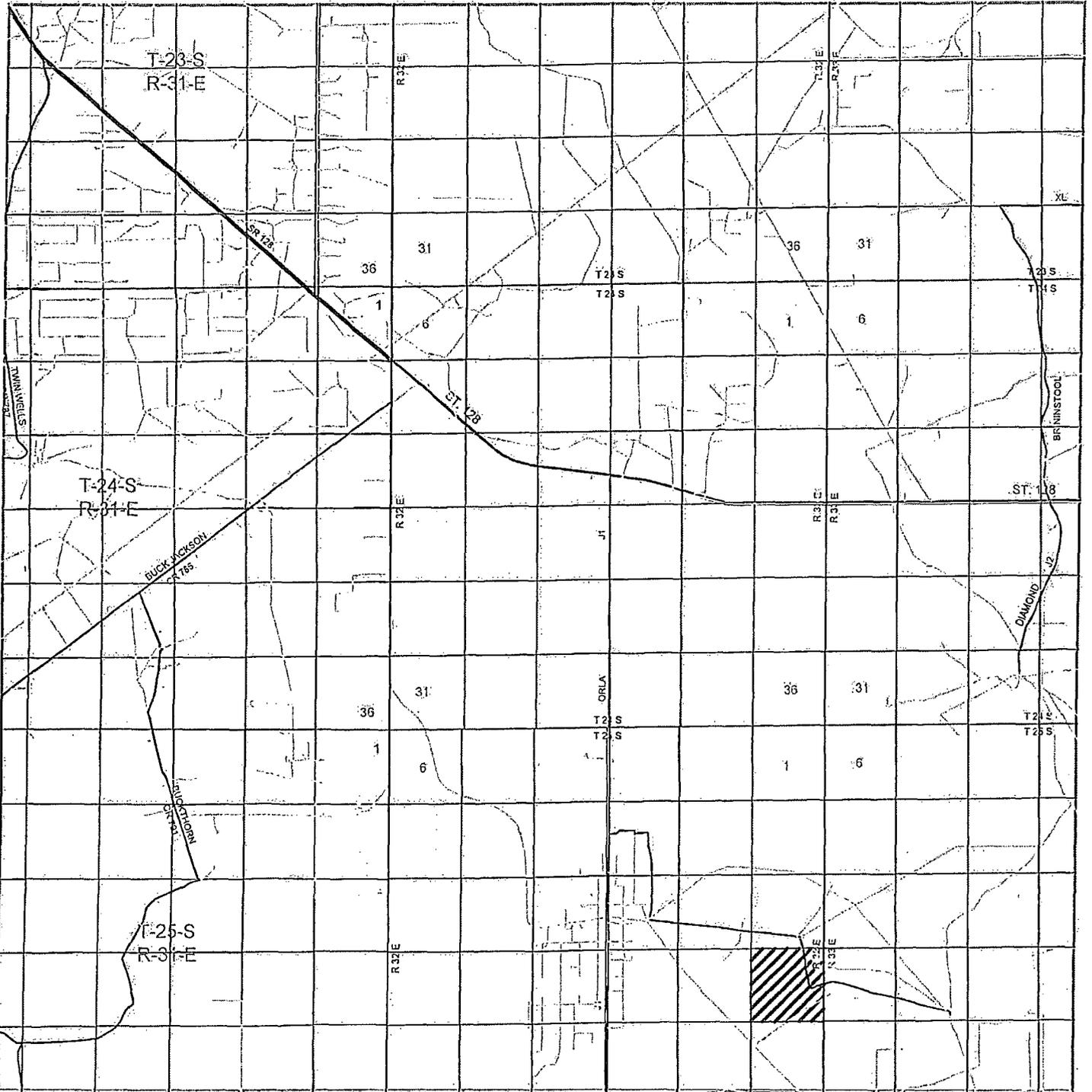
Date: 09-19-2012 | Disk: DAJ 27259

CIMAREX ENERGY CO.

REF: FUGGLES 24 FEDERAL COM #2H / WELL PAD TOPO

THE FUGGLES 24 FEDERAL COM #2H LOCATED 330'
FROM THE NORTH LINE AND 1980' FROM THE WEST LINE OF
SECTION 24, TOWNSHIP 25 SOUTH, RANGE 32 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

Survey Date: 09-04-2012 | Sheet 1 of 1 Sheets



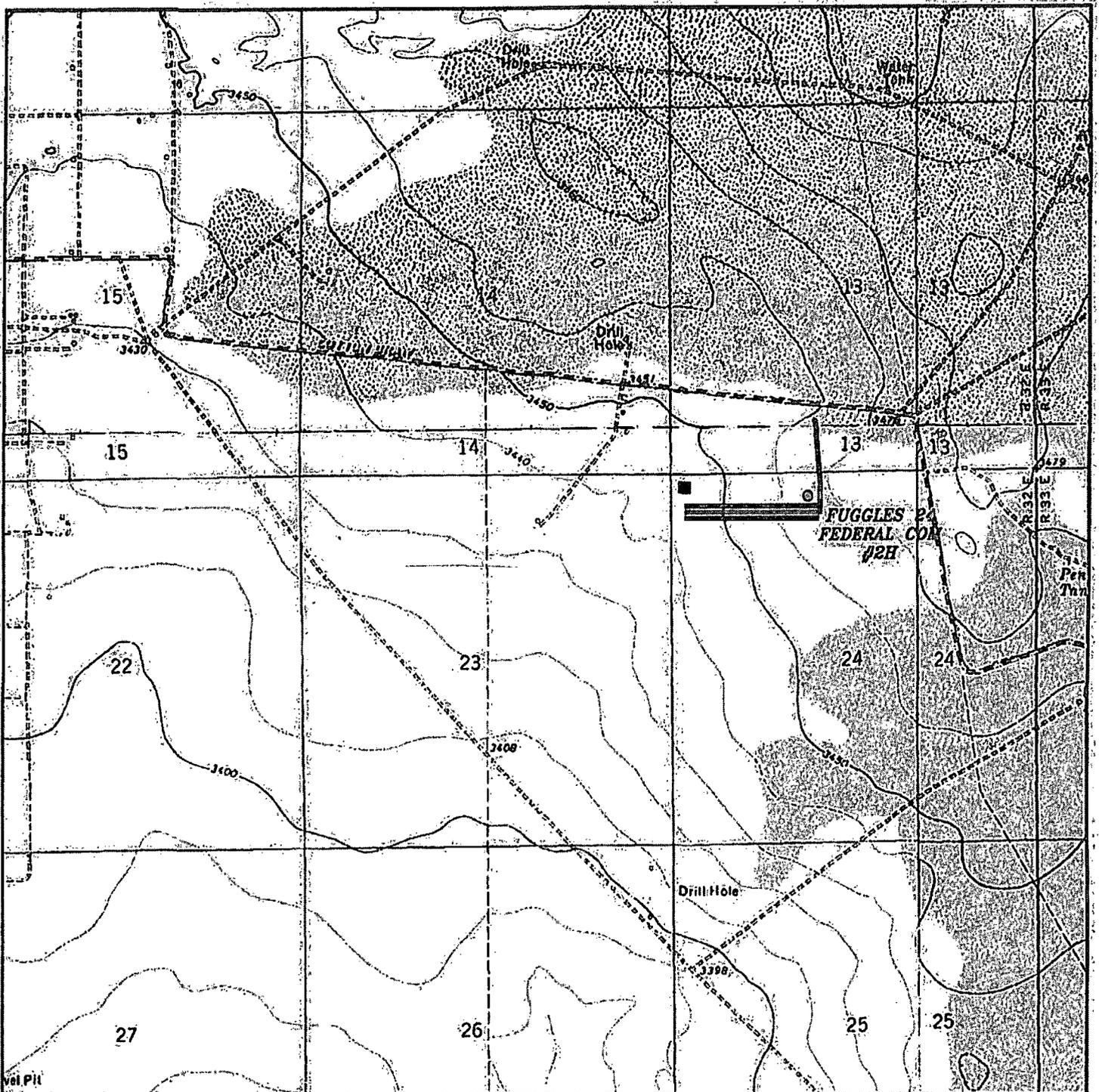
FUGGLES 24 FEDERAL COM #2H
 Located 330' FNL and 1980' FWL
 Section 24, Township 25 South, Range 32 East,
 N.M.P.M., Lea County, New Mexico.

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
 basin-surveys.com

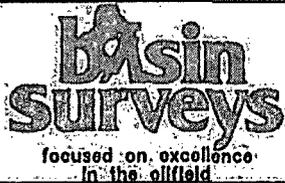
W.O. Number: DAJ 27259
Survey Date: 09-04-2012
Scale: 1" = 2 Miles
Date: 09-19-2012

**CIMAREX
 ENERGY CO.**



FUGGLES 24 FEDERAL COM #2H
 Located 330' FNL and 1980' FWL
 Section 24, Township 25 South, Range 32 East,
 N.M.P.M., Lea County, New Mexico.

-  Tank Battery
-  Flow line
-  E-line



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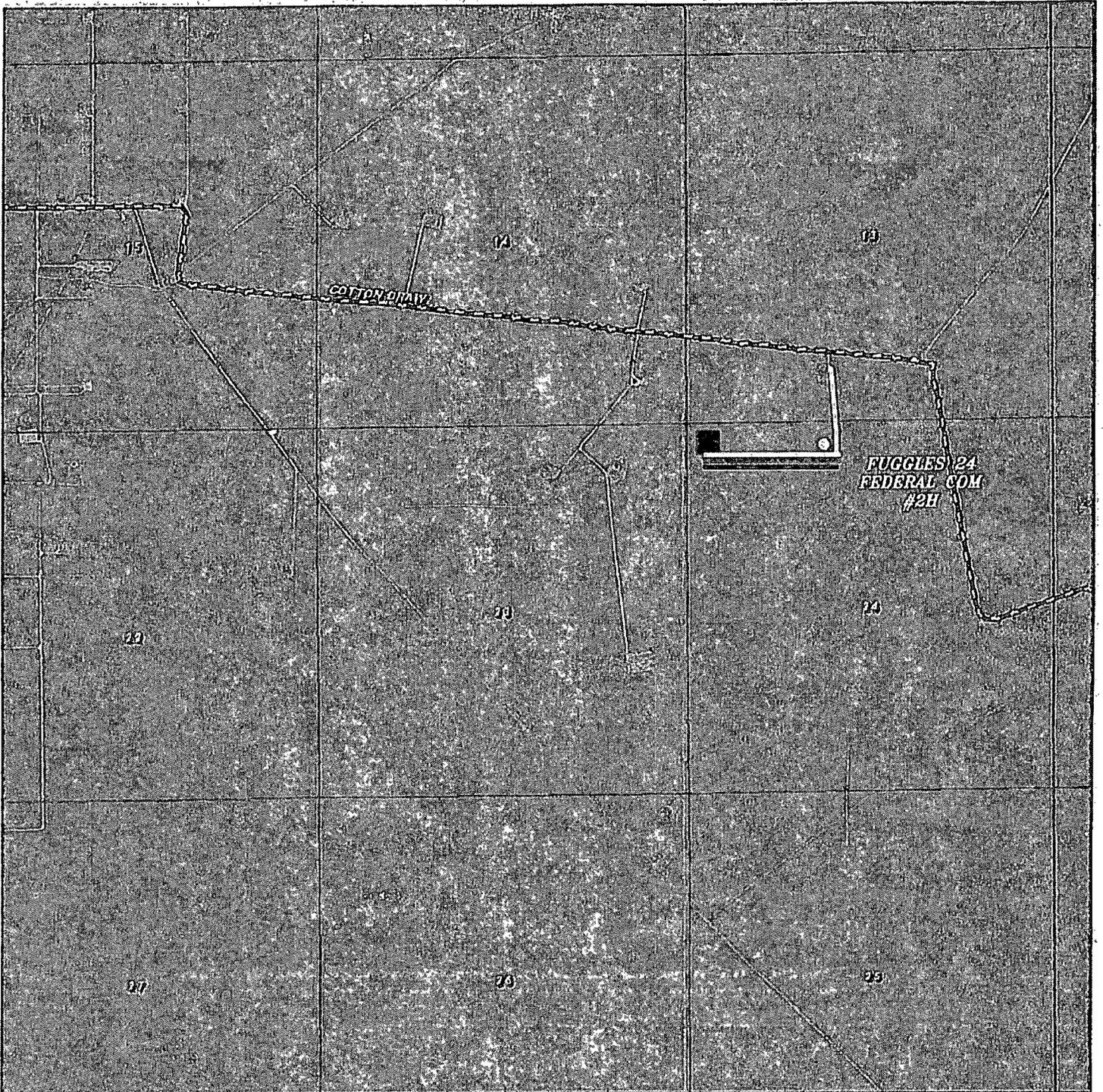
W.O. Number: DAJ 27259

Survey Date: 09-04-2012

Scale: 1" = 2000'

Date: 09-19-2012

**CIMAREX
 ENERGY CO.**



FUGGLES 24 FEDERAL COM #2H
 Located 330' FNL and 1980' FWL
 Section 24, Township 25 South, Range 32 East,
 N.M.P.M., Lea County, New Mexico.

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- Flow line
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Scale: 1" = 2000'

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

CIMAREX ENERGY CO.

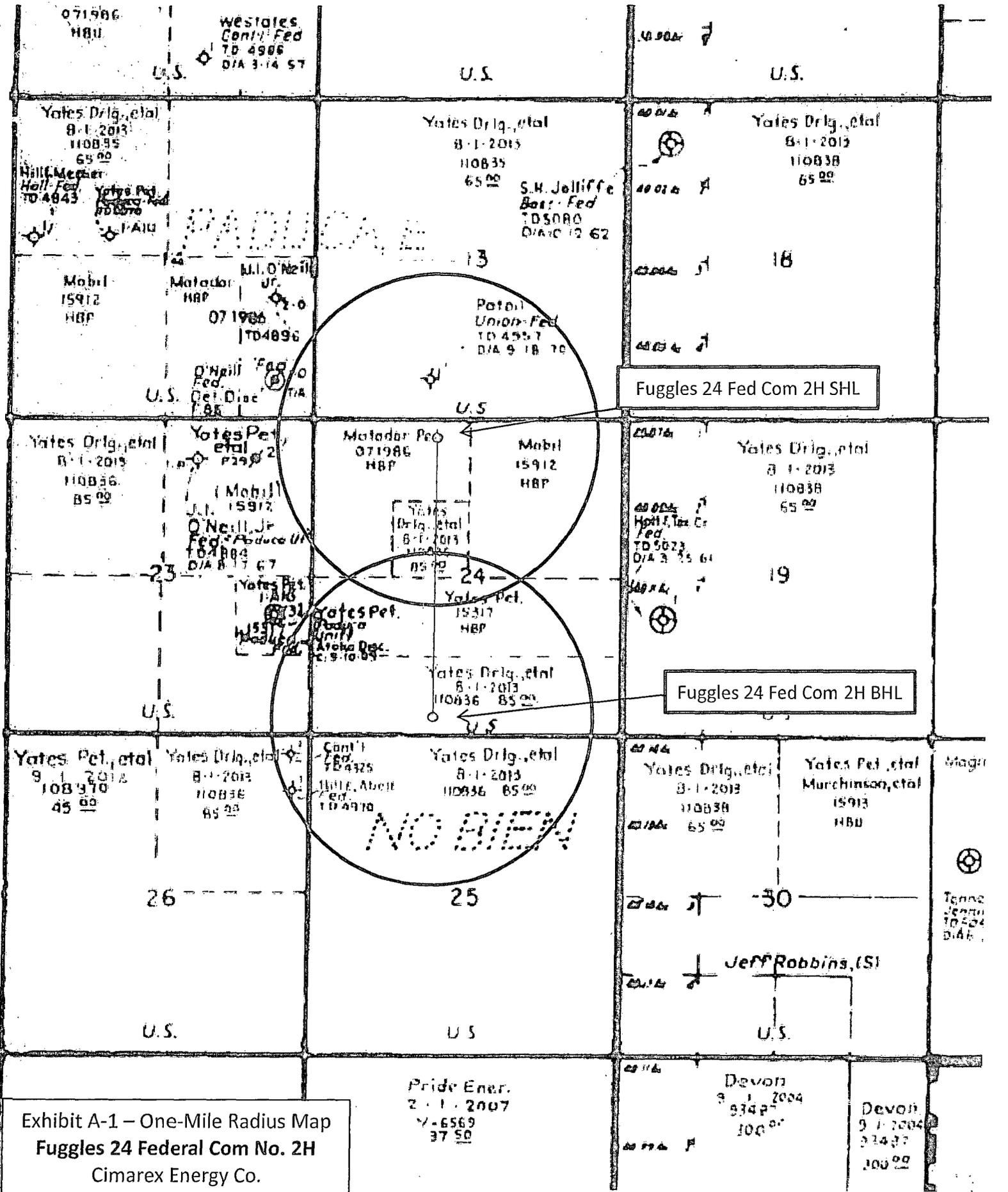


Exhibit A-1 – One-Mile Radius Map
Fuggles 24 Federal Com No. 2H
 Cimarex Energy Co.
 24-25S-32E
 SHL 330 FNL & 1980 FWL
 BHL 330 FSL & 1980 FEL
 Lea County, NM

Fuggles 24 Fed Com 2H SHL

Fuggles 24 Fed Com 2H BHL

NO BURN

Pride Ener.
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