

JAN 31 2014

30-025-41644

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 otherwise noted in the New or Reconstructed Access Roads section of the surface use plan.

From the Junction of Hwy 176 and Skeen, go North on Skeen for 0.1 miles to lease road (Orion), go East on lease road for 0.5 miles to proposed location.

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 deteriorated 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 565.4' 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 and overhead electric line from the proposed well to an existing overhead electric line located in NE of section Sec. 35. The proposed electric line will be 7200.7' in length, 18-40 poles, 480 volt, 4 wire, 3 phase. The electric line will exist off the West side of the well location and travel North 7200.7' until it would intercept the existing electric line.

Route is within lease boundaries, a right of way grant will not be acquired from the BLM. Please see Exhibit G. Any changes to E-Line route will be submitted via sundry notice.

### 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

FEB 04 2014

Surface Use Plan  
**Lynch 35 Fed Com #3H**  
Cimarex Energy Co.  
UL: N, Sec. 35, 20S, 34E  
Lea Co., NM

**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 at the wellsite. Any changes to the facility will be submitted 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.

Surface Use Plan  
**Lynch 35 Fed Com #3H**  
Cimarex Energy Co.  
UL: N, Sec. 35, 20S, 34E  
Lea Co., NM

**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 production 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.
- An archaeological survey will be conducted on the location and proposed roads and this report will be filed with the Bureau of Land Management in the Carsbad BLM office.
- There are no known dwellings within 1½ miles of this location.

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

First Onsite - Barry Hunt, Legion Brumley, Basin Surveys on location: V-Door East. Top soil west. Frac pad/Flare Northwest corner (North). Battery South. Interim reclamation: North, northwest and east. Access road from southwest corner, northwest, to Orion road back to Skeen Road. Second Onsite Info: Barry Hunt, Basin Surveys, Mr. Berry on site. I am meeting surveyors at the Lynch 35 Fed #3H Wednesday the 28th at 8:30 NM time to restake the road and turn pad, frac pad and change battery location. I will stake road 300 ft. west of location (on the highway, cross fence at a northwesterly direction and then east into northwest corner. Battery at north. Frac pad at northeast corner (north) .

Operator Certification Statement

**Lynch 35 Fed Com #3H**

Cimarex Energy Co.

UL: N, Sec. 35, 20S, 34E

Lea Co., 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 3 day of July 2013

NAME: 

Terri Stathem

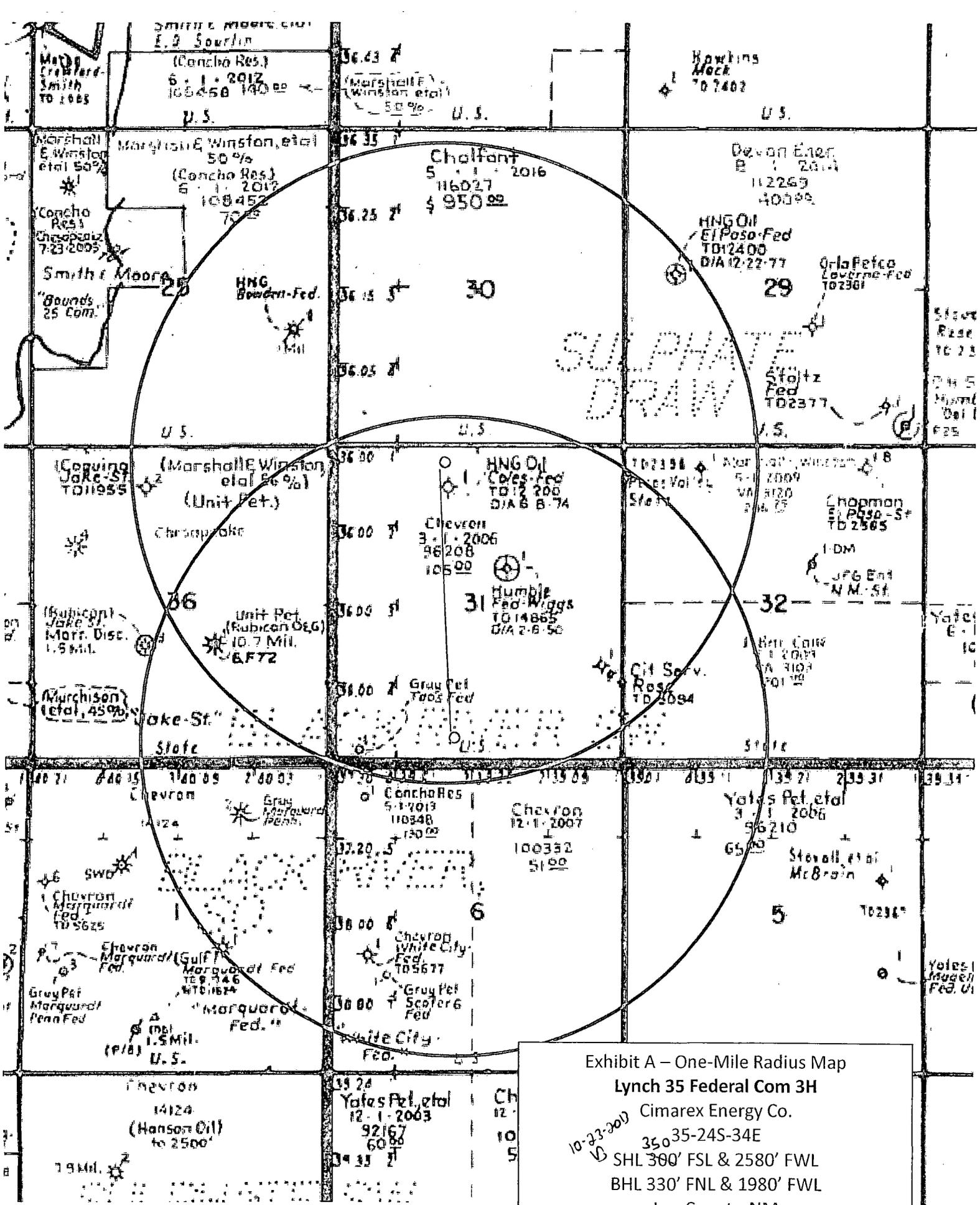
TITLE: Regulatory Compliance

ADDRESS: 600 N. Marienfeld St. Ste. 600 Midland Tx 79071

TELEPHONE: 432-571-7800

EMAIL: TStathem@cimarex.com

Field Representative: Same as above



Smith & Moore et al  
E. P. Sourlin

(Concho Res.)

6-1-2012  
108458 140 00

U.S.

36.43 7'

36.35 7'

36.25 7'

36.15 5'

36.05 7'

36.00 7'

36.00 7'

36.00 5'

36.00 7'

37.20 5'

38.00 5'

38.00 8'

38.00 7'

39.24

39.35 7'

Hawkins  
Moore  
707407

U.S.

Devon Ener.  
E. 1-2014  
112269  
40000

HNG Oil  
El Paso Fed  
TD12400  
DIA 12-22-77

Orla Petco  
Loverne Fed  
T02361

29

Stoltz  
Fed  
T02377

U.S.

Marshall E. Winston, et al  
50 %  
(Concho Res.)  
6-1-2012  
108452  
70 25

Chalfant  
5-1-2016  
116027  
\$ 950.00

30

U.S.

HNG Oil  
Caves Fed  
TD12200  
DIA B-B-74

Chevron  
3-1-2006  
96208  
105 00

31

Humble  
Fed Wiggs  
TD14865  
DIA 2-B-50

102198  
Stoltz  
Fed  
T02377

Chapman  
El Paso-St  
TD2585

32

1 Hill Coils  
1-2007  
112269  
40000

Cit Serv.  
Res.  
TD12094

Coppage  
Jake-St  
TD11955

(Marshall E. Winston,  
et al 50 %)  
(Unit Pet.)  
Chapman

36

Unit Pet.  
(Rubicon O&G)  
10-7 Mil.  
E.F.72

Jake-St.  
State

(Rubicon)  
Jake-St.  
Morr. Dist.  
1.5 Mil.

Murchison  
et al, 45 %  
Jake-St.  
State

Gray Fed  
T005 Fed

U.S.

Chevron  
112269  
40000

Gray  
Marquard  
Penn.

Concho Res  
5-1-2013  
110348  
130 00

Chevron  
12-1-2007  
100352  
51 00

Yates Pet, et al  
3-1-2006  
96210  
65 00

Stovall, et al  
McBrain

5

Chevron  
Marquard  
Fed  
TD15625

Chevron  
Marquard  
Fed.  
TD15677

Gray Pet  
Marquard  
Penn Fed

Marquard  
Fed.  
1.5 Mil.  
(P/B) U.S.

Chevron  
White City  
Fed.  
TD15677

Gray Pet  
Scotter  
Fed

White City  
Fed.

Chevron  
14124  
(Hanson Oil)  
to 2500'

Yates Pet, et al  
12-1-2003  
92167  
60 00

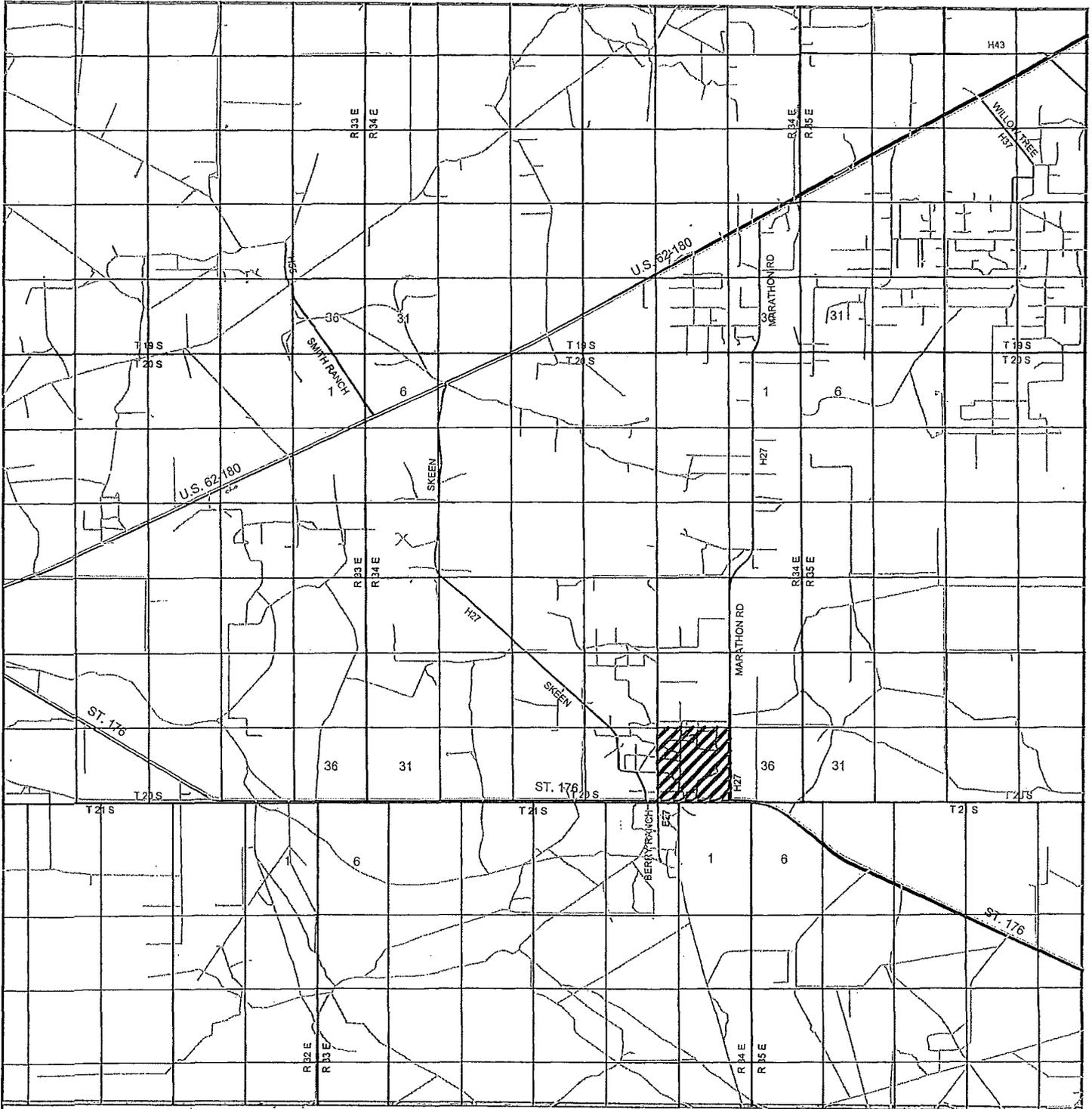
Ch  
12-  
10-  
5

1.9 Mil.

State  
Res.  
T023  
DIA 5  
Morr.  
Dist 1  
P25

Yates  
E-1  
10

Yates  
Marquard  
Fed. U.S.



**LYNCH 35 FEDERAL 3H**  
 Located 350' FSL and 2580' FWL  
 Section 35, Township 20 South, Range 34 East,  
 N.M.P.M., Lea County, New Mexico.



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: KAN 29231

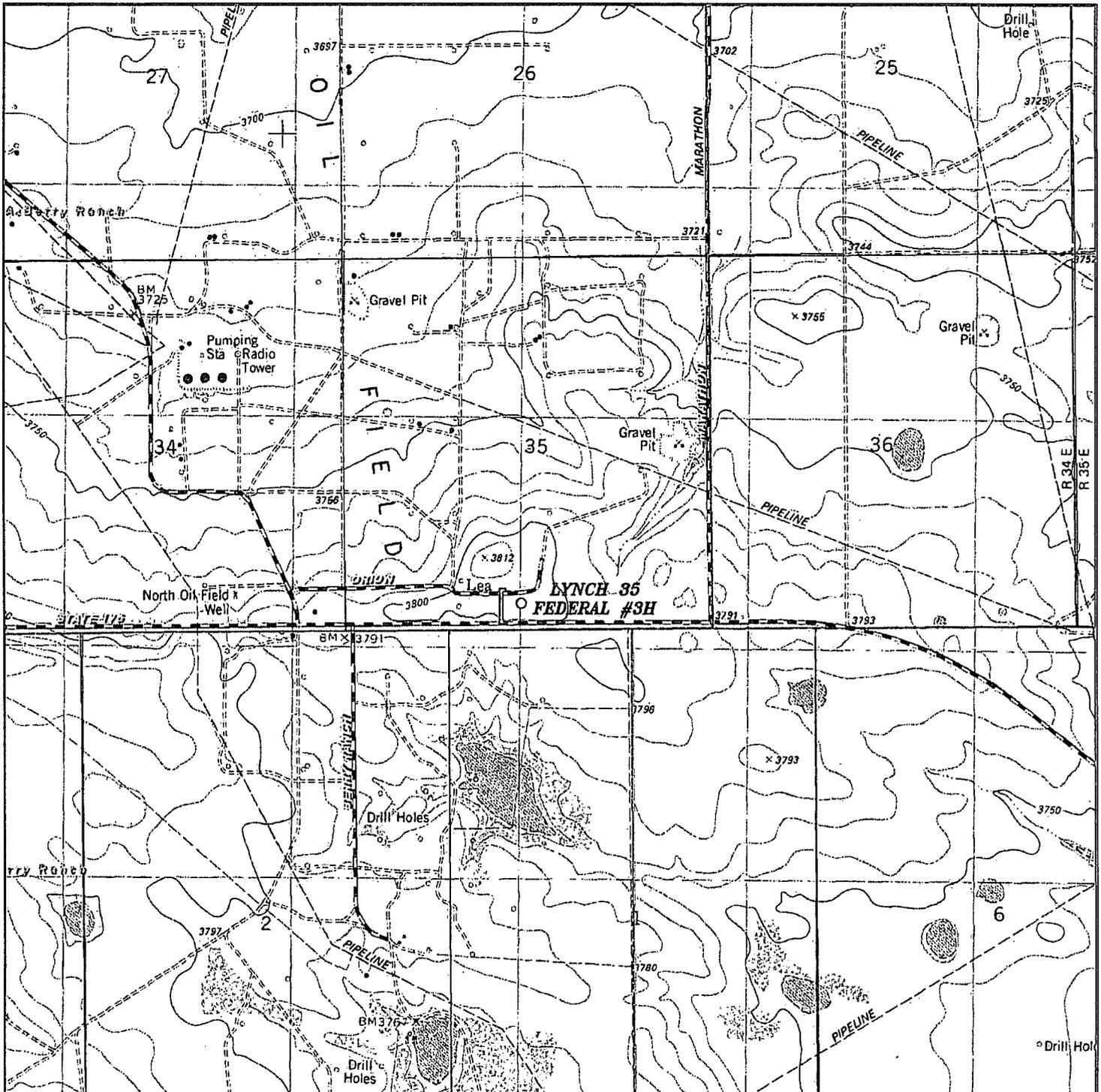
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Scale: 1" = 2 Miles

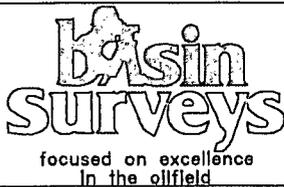
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**CIMAREX  
 ENERGY CO.**

Exhibit B



**LYNCH 35 FEDERAL #3H**  
 Located 350' FNL and 2580' FWL  
 Section 35, Township 20 South, Range 34 East,  
 N.M.P.M., Lea County, New Mexico.



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

W.O. Number: JMS 29329

Survey Date: 06-24-2013

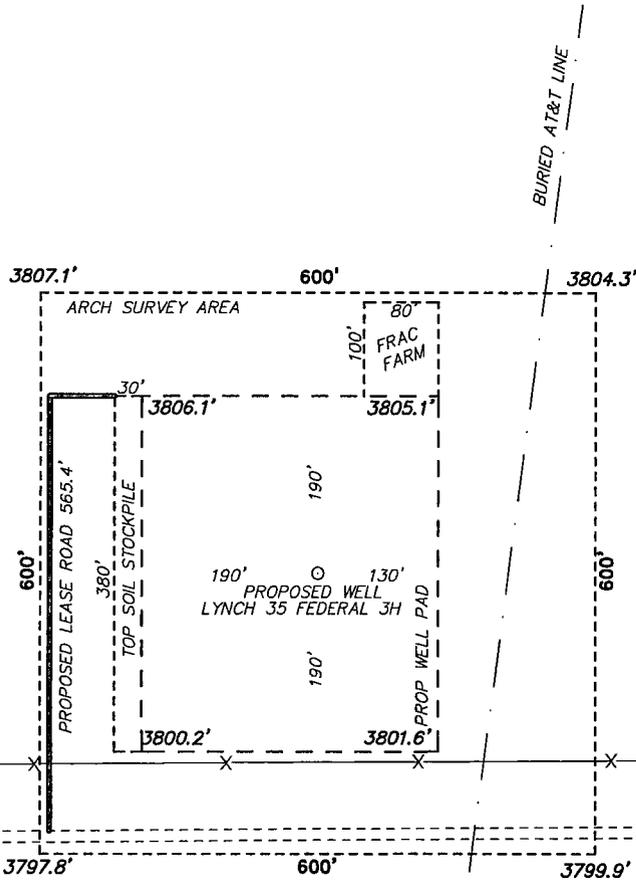
Scale: 1" = 2000'

Date: 07-16-2013

**CIMAREX  
 ENERGY CO.**

*Exhibit C*

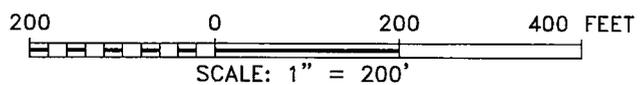
SECTION 35, TOWNSHIP 20 SOUTH, RANGE 34 EAST, N.M.P.M.,  
LEA COUNTY, NEW MEXICO.



CIMAREX ENERGY CO.  
LYNCH 35 FEDERAL #3H  
ELEV. - 3803'  
Lat - N 32°31'23.93"  
Long - W 103°31'52.11"  
NMSPC- N 555038.9  
E 788589.8  
(NAD-83)

HWY 176

MONUMENT, NM IS ±16 MILES TO THE NORTHEAST OF LOCATION.



Directions to Location:

FROM MARATHON ROAD AND HWY 176 GO WEST 0.5 MILES TO PROPOSED LOCATION.

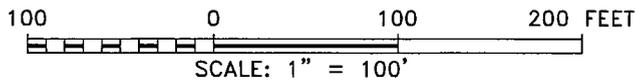
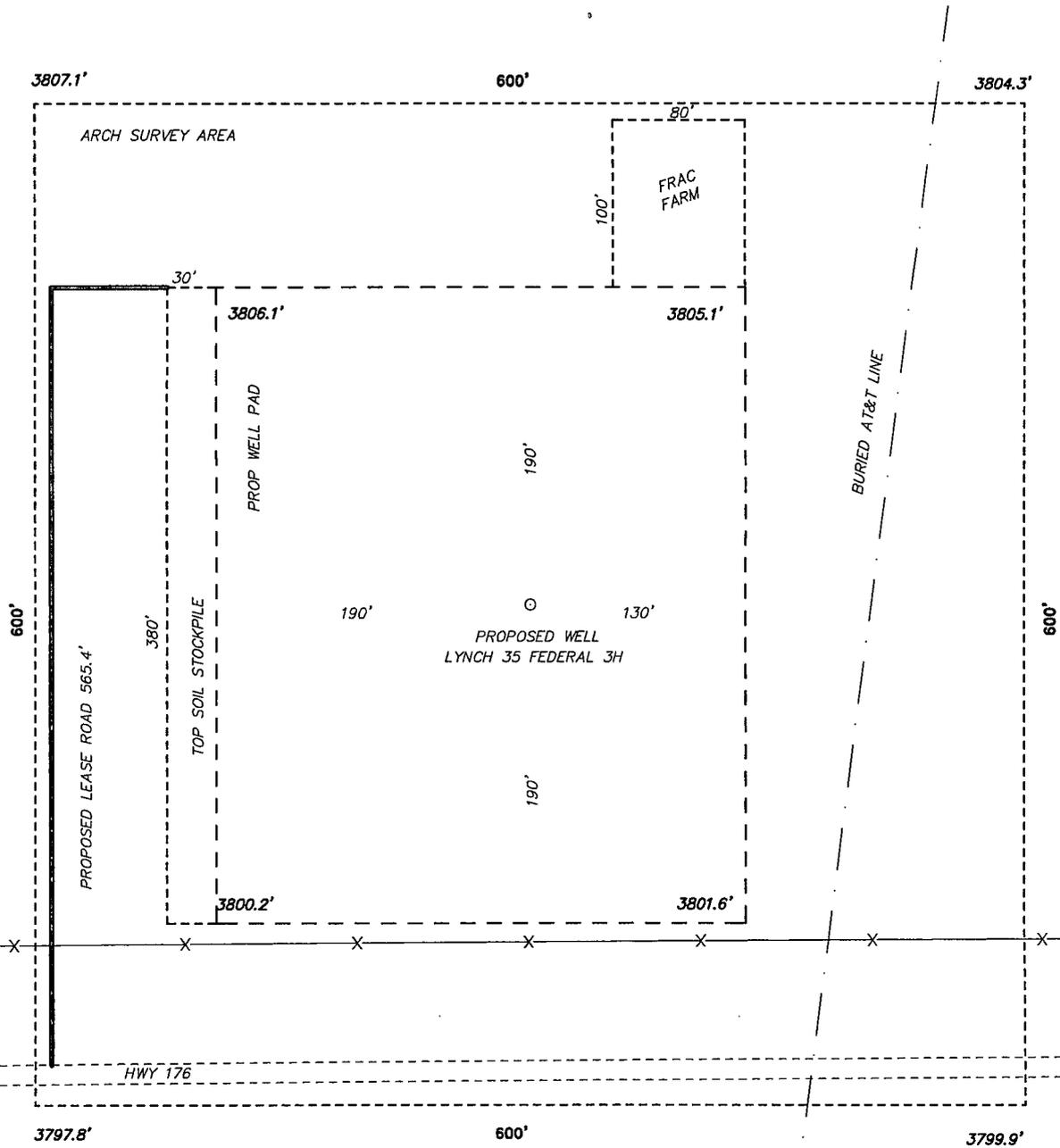
**BASIN SURVEYS** P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 29329 Drawn By: J. SMALL  
Date: 07-16-2013 Disk: JMS 29329

<b>CIMAREX ENERGY CO.</b>	
REF: LYNCH 35 FEDERAL #3H / WELL PAD TOPO	
THE LYNCH 35 FEDERAL #3H LOCATED 350' FROM THE SOUTH LINE AND 2580' FROM THE WEST LINE OF SECTION 35, TOWNSHIP 20 SOUTH, RANGE 34 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO.	
Survey Date: 06-24-2013	Sheet 1 of 1 Sheets

*Exhibit C-1*

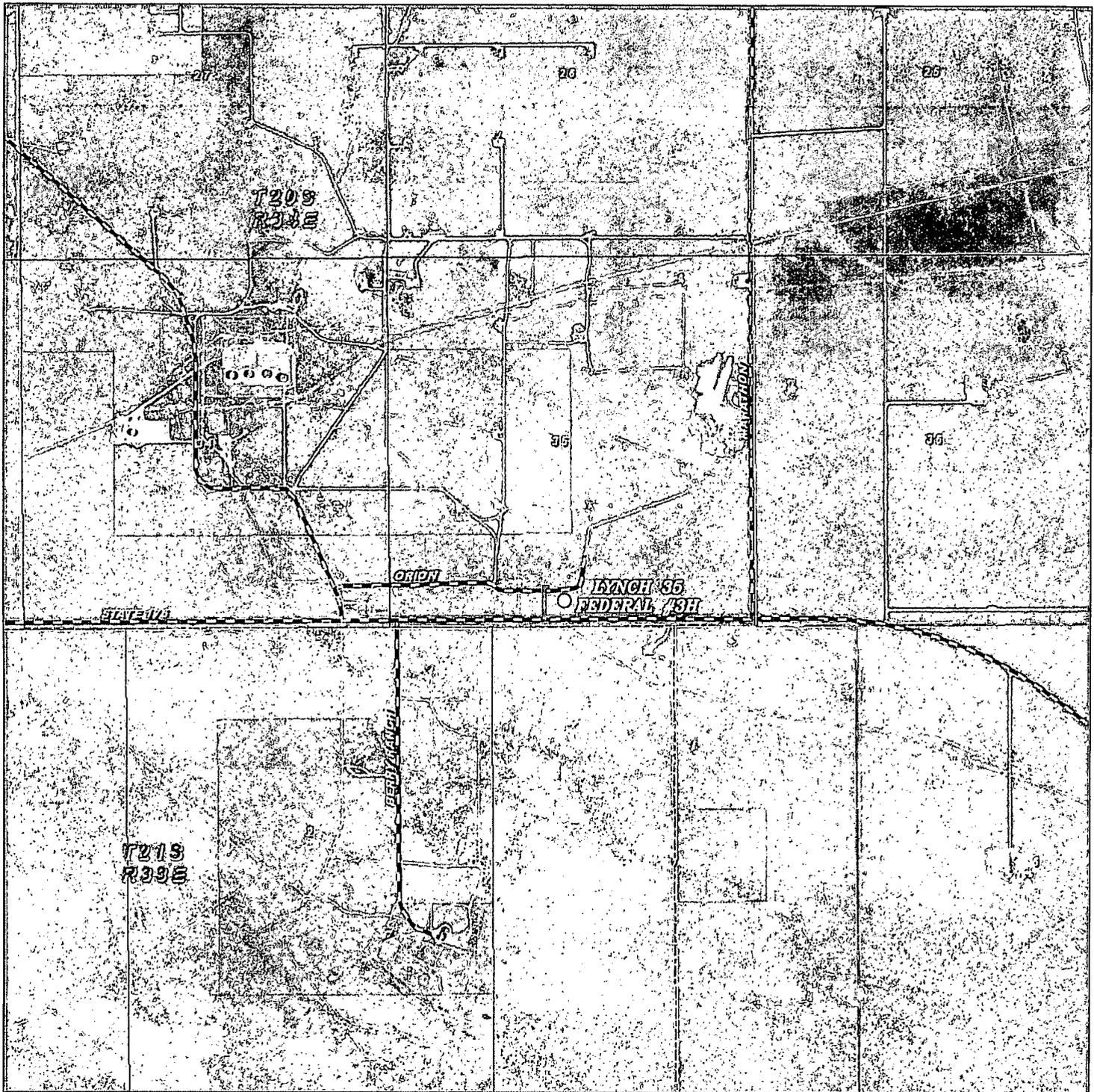
SECTION 35, TOWNSHIP 20 SOUTH, RANGE 34 EAST, N.M.P.M.,  
LEA COUNTY, NEW MEXICO.



<b>CIMAREX ENERGY CO.</b>	
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W.O. Number: 29329	Drawn By: J. SMALL
Date: 07-16-2013	Disk: JMS 29329
Survey Date: 06-24-2013	Sheet 1 of 1 Sheets

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

Exhibit C-1



**LYNCH 35 FEDERAL #3H**  
 Located 350' FNL and 2580' FWL  
 Section 35, Township 20 South, Range 34 East,  
 N.M.P.M., Lea County, New Mexico.



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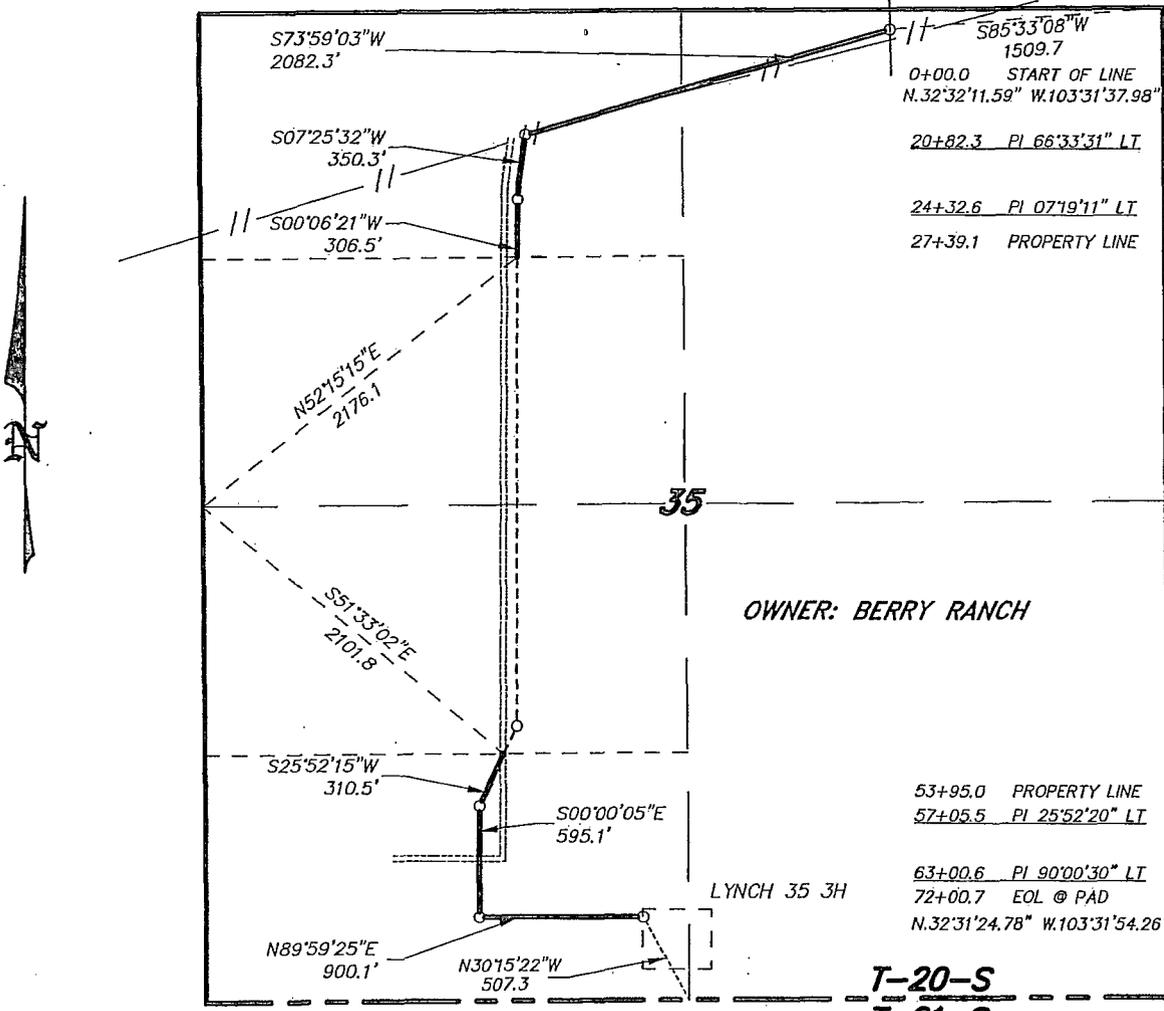
W.O. Number: JMS 29329

Scale: 1" = 2000'

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

**CIMAREX  
 ENERGY CO.**

SECTION 35, TOWNSHIP 25 SOUTH, RANGE 34 EAST, N.M.P.M.,  
LEA COUNTY, NEW MEXICO.



**LEGAL DESCRIPTION**

A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTION 35, TOWNSHIP 20 SOUTH, RANGE 34 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY.

BEGINNING AT A POINT WHICH LIES S.85°33'06"E., 1509.7 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 35; THENCE S.73°59'03"W., 2082.3 FEET; THENCE S.07°25'32"W., 350.3 FEET; THENCE S.00°06'21"W., 306.5 FEET TO A POINT ON THE SOUTH PROPERTY LINE WHICH LIES N.52°15'15"E., 2176.1 FEET FROM THE WEST QUARTER CORNER OF SAID SECTION 35; THENCE BEGINNING AGAIN AT A POINT WHICH LIES S.51°33'02"E., 2101.8 FEET FROM THE WEST QUARTER CORNER OF SAID SECTION 35; THENCE S.25°52'15"W., 310.5 FEET; THENCE S.00°00'05"E., 595.1 FEET; THENCE N.89°59'25"E., 900.1 FEET TO THE END OF THIS LINE WHICH LIES N.30°15'22"E., 507.3 FEET FROM THE SOUTH QUARTER CORNER OF SAID SECTION 35. SAID STRIP OF LAND BEING 4544.8 FEET OR 275.44 RODS IN LENGTH.

I HEREBY CERTIFY THAT THE PLAN THAT WAS PREPARED FROM FIELD NOTES FOR AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.

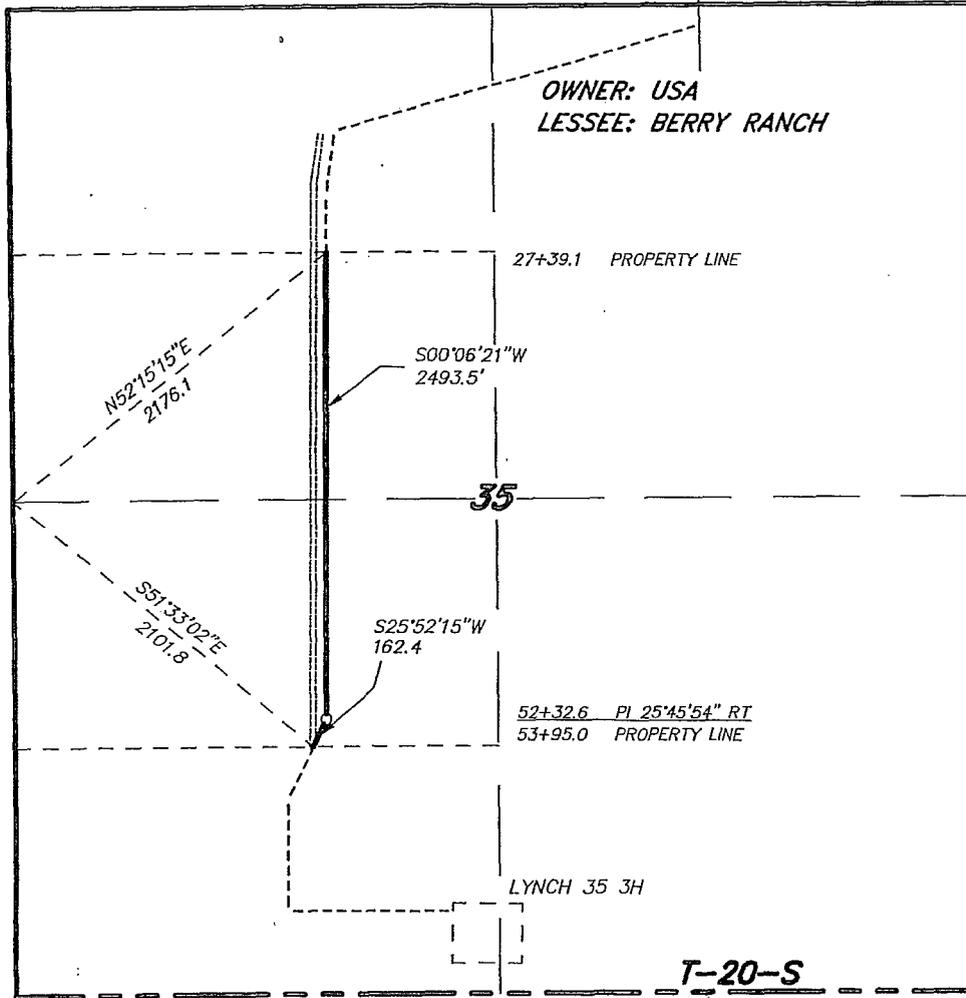
**GARY L. JONES**  
7977  
LEA COUNTY, TEXAS P.L.S. No. 5074



<b>CIMAREX ENERGY COMPANY</b>	
REF: PROPOSED ELECTRIC LINE FOR LYNCH 35 FEDERAL 3H	
AN ELECTRIC LINE CROSSING FEE LAND IN SECTION 35, TOWNSHIP 20 SOUTH, RANGE 34 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO.	
W.O. Number: 29231	Drawn By: K. NORRIS
Date: 08-20-2013	Disk: KAN 29231
Survey Date: 08-16-2013	Sheet 1 of 2 Sheets

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

SECTION 35, TOWNSHIP 25 SOUTH, RANGE 34 EAST, N.M.P.M.,  
LEA COUNTY, NEW MEXICO.



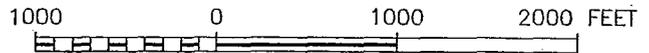
LEGAL DESCRIPTION

A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTION 35, TOWNSHIP 20 SOUTH, RANGE 34 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY.

SECTION 35= 2655.9 FEET= 160.96 RODS= 0.50 MILES= 1.83 ACRES

I HEREBY CERTIFY THAT THIS PLAN WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.

**GARY L. JONES**  
REGISTERED LAND SURVEYOR  
LEA COUNTY, NEW MEXICO  
No. 7977  
No. 5074



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

W.O. Number: 29231 Drawn By: K. NORRIS

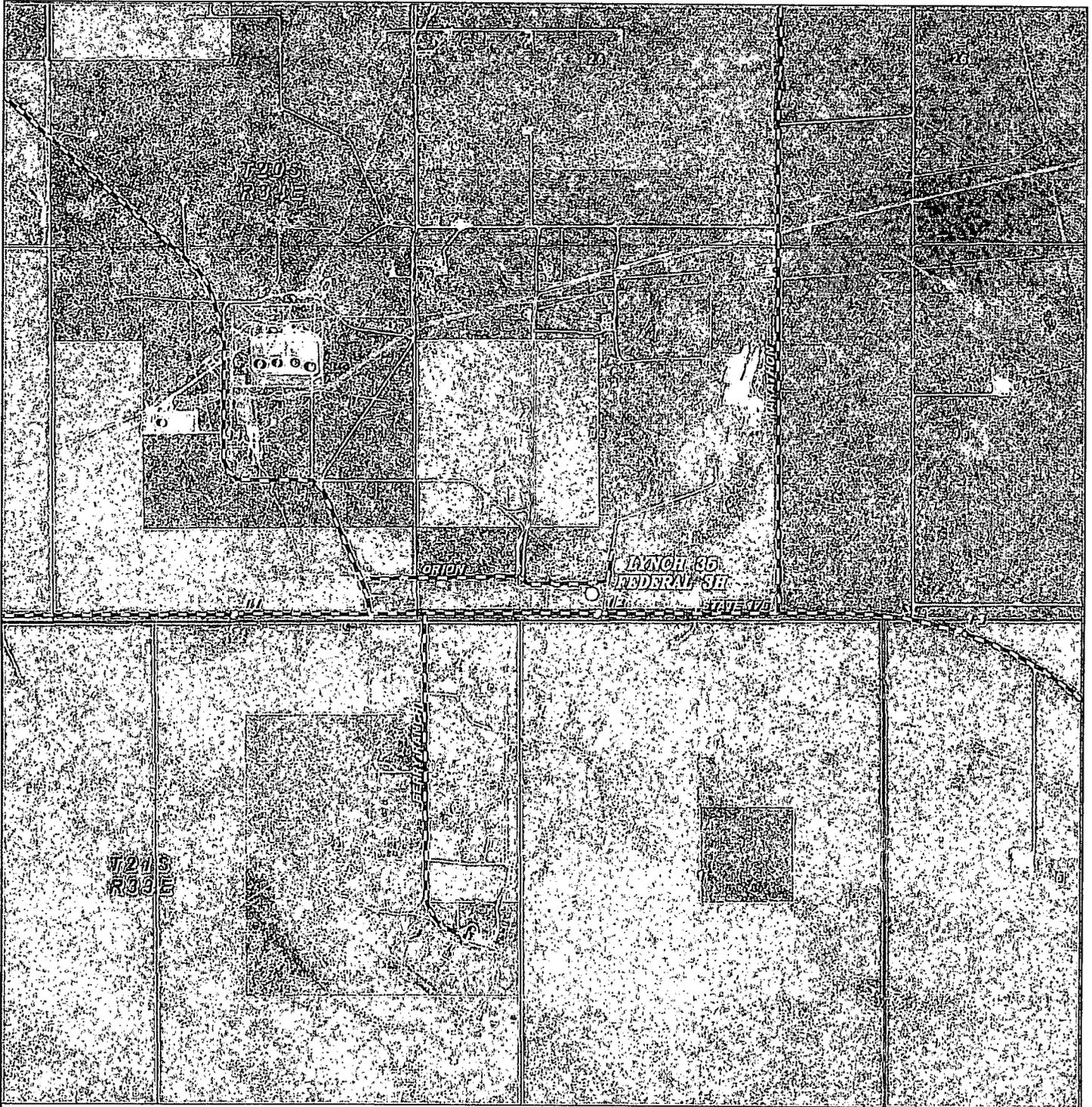
Date: 08-20-2013 Disk: KAN 29231

**CIMAREX ENERGY COMPANY**

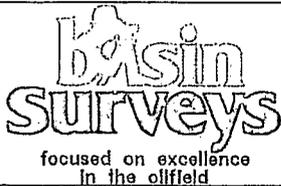
REF: PROPOSED ELECTRIC LINE FOR LYNCH 35 FEDERAL 3H

AN ELECTRIC LINE CROSSING FEDERAL LAND IN  
SECTION 35, TOWNSHIP 20 SOUTH, RANGE 34 EAST,  
N.M.P.M., LEA COUNTY, NEW MEXICO.

Survey Date: 08-16-2013 Sheet 2 of 2 Sheets



**LYNCH 35 FEDERAL 3H ELECTRIC LINE**  
 Section 35, Township 20 South, Range 34 East,  
 N.M.P.M., Lea County, New Mexico.



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 basinsurveys.com

W.O. Number: KAN 29203

Scale: 1" = 2000'

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

**CIMAREX  
 ENERGY CO.**

Exhibit G