

Surface Use Plan
Lea South 25 Federal Com #6H
Nearburg Producing Co. Agent: Cimarex Energy Co.
UL: C, Sec. 25-20S-34E
Lea County, NM

HOBBS OCD

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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 the Junction of Hwy 76 and Marathon Rd, Go North on Marathon Rd for 1.3 miles to lease road. On lease road go East 0.4 miles to lease road. Turn South for 0.4 miles to proposed location.

2. **Planned Access Roads:**

Cimarex as agent for Nearburg Producing Company plans to improve/upgrade 1305.5' of existing lease road to service the Lea South 25 Federal #6H.

3. **Planned Electric Line:**

Nearburg Producing Company plans to install an overhead electric line from the proposed well to an existing overhead electric line in the NW/4 of Sec. 25. The proposed electric line would be approximately 4600' in length, 14 - 40' poles, 480 volt, 4 wire, 3 phase. The electric line would exit off the West side of the Lea South 25 Fed Com #5H well location and travel North for approximately 4600' along Marathon Road until it would intercept the existing electric line. The electric line will be routed on the East side of Marathon Road and 40-50' from and parallel to Marathon Road. Route is within lease boundaries, and has been staked, however the plat has not been completed. A plat of the Eline will be submitted to the BLM under separate cover. Any changes to E-Line route will be submitted via sundry notice.

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 Lea South 25 Federal Com 5H will be used and the necessary production equipment will be installed. Cimarex proposes to install two (2) 4" buried HP poly lines ' down existing lease road to carry oil, gas, water to the Lea South 25 Fed 5H tank battery approximately 940' to the west. The route of the flowlines will be buried 25' to 35' south of the access road. MAOP 1500 psi anticipated working pressure 200-300 psi. Gas lift will be provided by HP poly line buried in the same trench along access road. Allocation will be based on well test. Route is within lease boundaries, please see Exhibit G. Any changes to flowline route will be submitted via 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.

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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. 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.
- D. There are no known dwellings within 1½ miles of this location.

11. On Site Notes and Information:

On March 27, 2013 an onsite meeting was held with Barry Hunt, Cimarex representative, Tim Green, Nearburg Producing Co., and Basin Surveys. V-Door south. Top soil north. Trish Badbear and Tim Green discussed the locations prior to staking.