

Surface Use Plan
Lynch 23 Federal Com No. 2
Cimarex Energy Co. of Colorado
Unit A, Section 23
T20S-R34E, Lea County, NM

HOBBS OCD

MAY 02 2011

1. Existing Roads: Area maps, Exhibit "A" shows the proposed well site as staked. Exhibit "B" is a reproduction of Eddy Co. General Highway Map. Exhibit "C" is a reproduction of a 1955 Topographic Map, and Exhibit "C-1" is a well site layout map, showing proposed road to location and existing road.
- 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 62-180 and Marathon Road go South 4.5 miles to lease road. On lease road go west winding southerly 1.1 miles to proposed lease road.
2. Planned Access Roads: 1517.1' of proposed newly-constructed, on-lease access road 341.1' of off lease access road will be constructed on fee surface.
3. 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 Exhibit "A"
 - E. Abandoned wells - As shown on Exhibit "A"
4. 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. See production facilities layout diagram. Any changes to the facilities 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.
7. Methods of Handling Waste Material:
- A. Drill cuttings will be separated by a series of solids removal equipment and stored in steel containment pits and then hauled to a state-approved disposal facility.
 - B. All trash, junk and other waste material will be contained in trash cages or bins to prevent scattering. When the job is completed all contents will be removed and disposed of in an approved sanitary land fill.
 - C. Salts remaining after completion of well will be picked up by supplier including broken sacks.
 - D. Sewage from living quarters will drain into holding tanks and be cleaned out periodically and hauled to a waste disposal facility. A Porta-John will be provided for the rig crews. This equipment will be properly maintained during the drilling operations and removed upon completion of the well.
 - E. Drilling fluids will be contained in steel pits in a closed circulating system. Fluids will be cleaned and reused. Water produced during testing will be contained in the steel pits and disposed of at a state approved disposal facility. Any oil or condensate produced will be stored in test tanks until sold and hauled from the site.

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8. Ancillary Facilities:

- A. No camps or airstrips to be constructed.

9. Well Site Layout:

- A. Exhibit "D" shows location and rig layout.
- C. Mud pits in the closed circulating system will be steel pits and the cuttings will be stored in steel containment pits.
- D. Cuttings will be stored in steel pits until they are hauled to a state-approved disposal facility.
- E. If the well is a producer, those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.

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.

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 a 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. 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. We have an agreement with Kenny Smith for an accessroad on his fee surface to the north. 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 Carlsbad BLM office.
- D. There are no known dwellings within 1½ miles of this location.

Operator Certification Statement

Lynch 23 Federal Com No. 2

Cimarex Energy Co. of Colorado

Unit A, Section 23

T20S-R34E, 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

Zeno Farris

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 2nd day of November, 2010

NAME: Zeno Farris
Zeno Farris

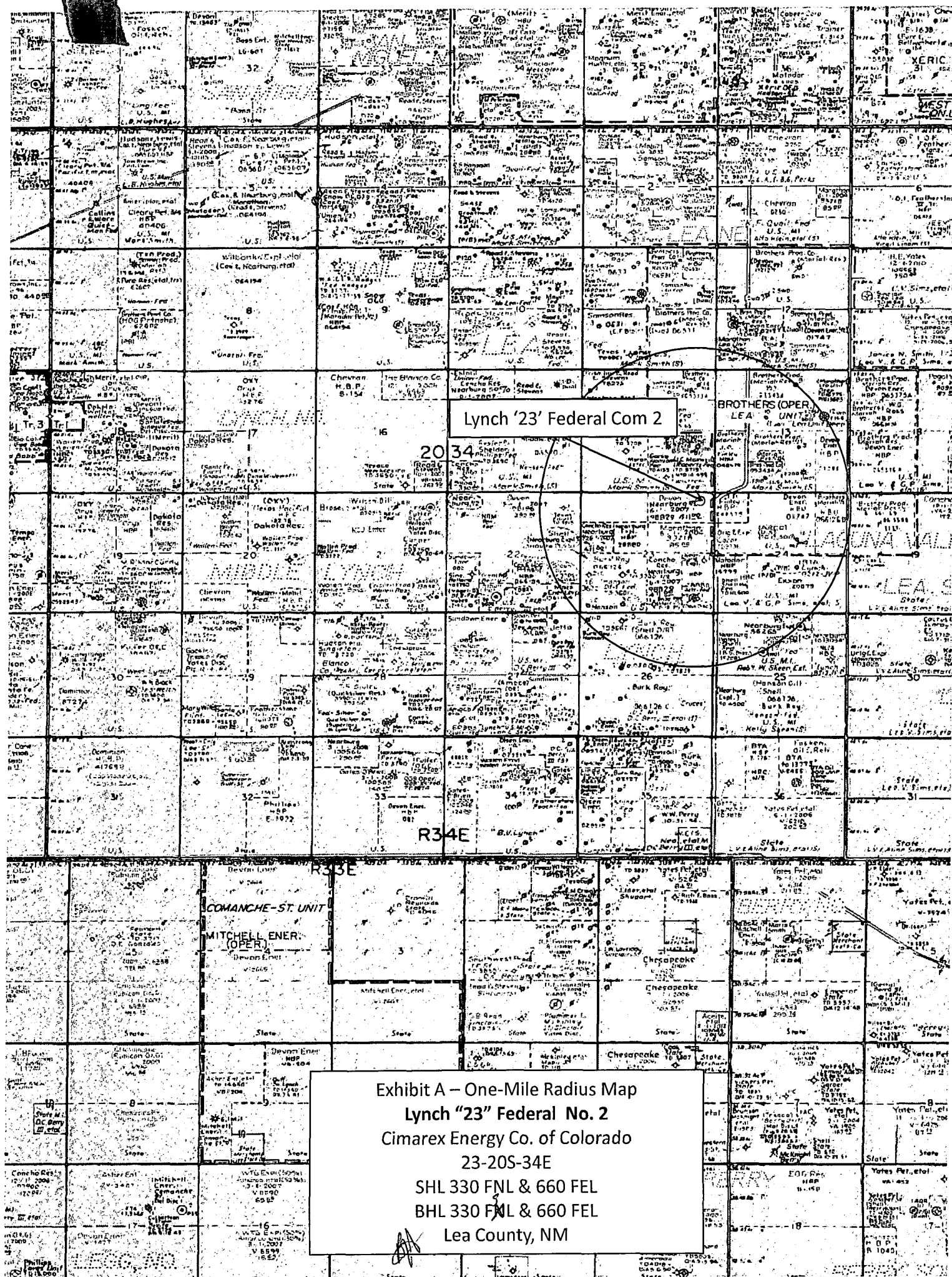
TITLE: Manager Operations Administration

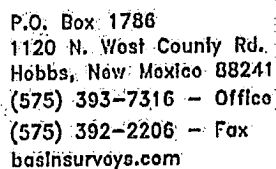
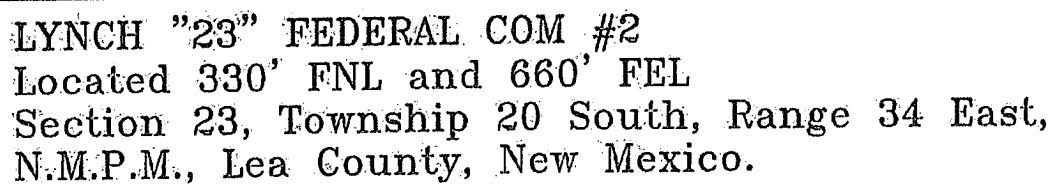
ADDRESS: 600 N. Marienfeld St., Ste. 600
Midland, TX 79701

TELEPHONE: (432) 620-1938

EMAIL: zfarris@cimarex.com

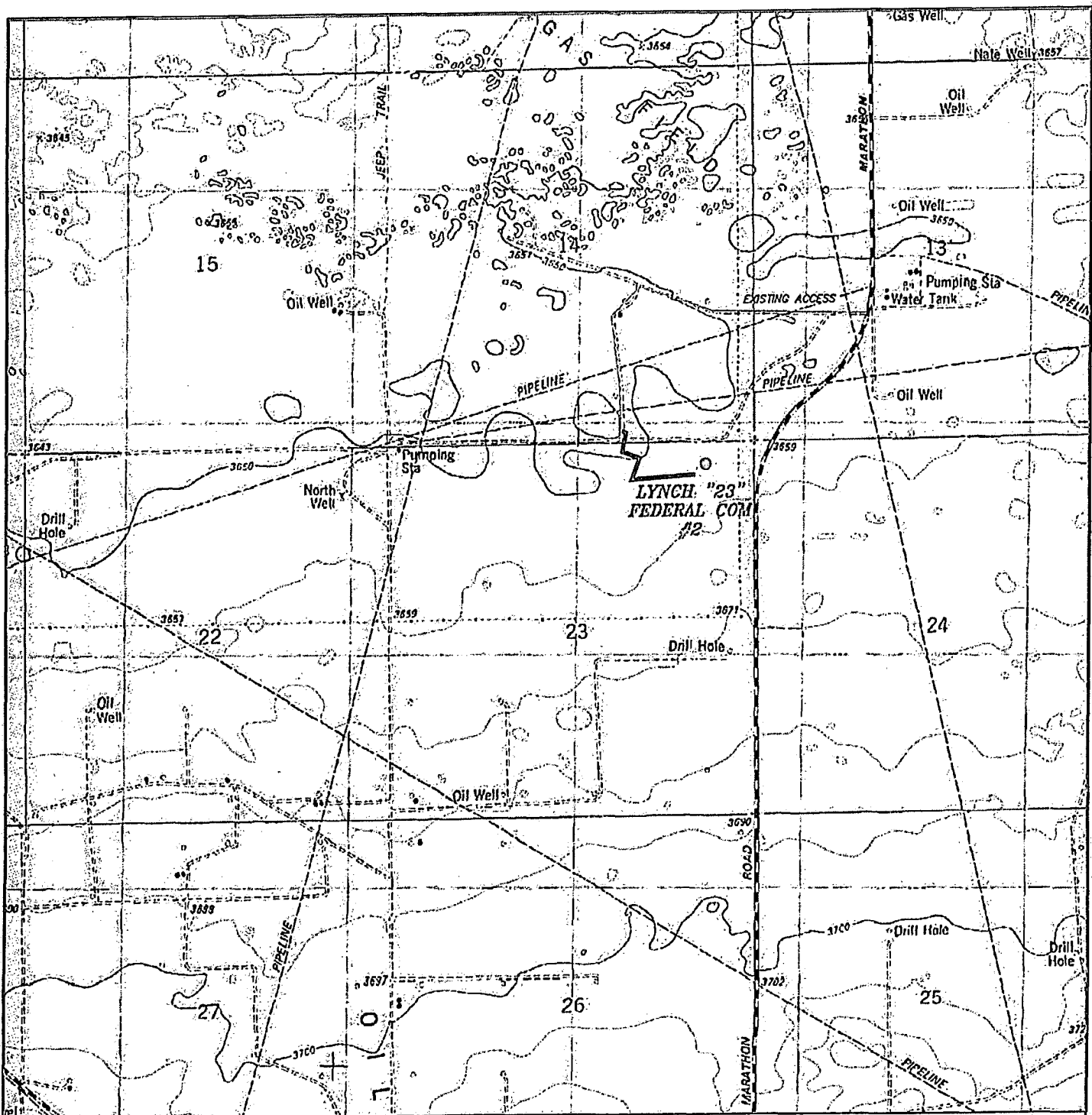
Field Representative: Same as above





Date: 09-14-2010

CIMAREX
ENERGY CO.
OF COLORADO



LYNCH "23" FEDERAL COM #2

Located 330' FNL and 660' FEL

Section 23, Township 20 South, Range 34 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
basinsurveys.com

W.O. Number: BJN 23384

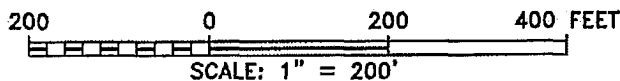
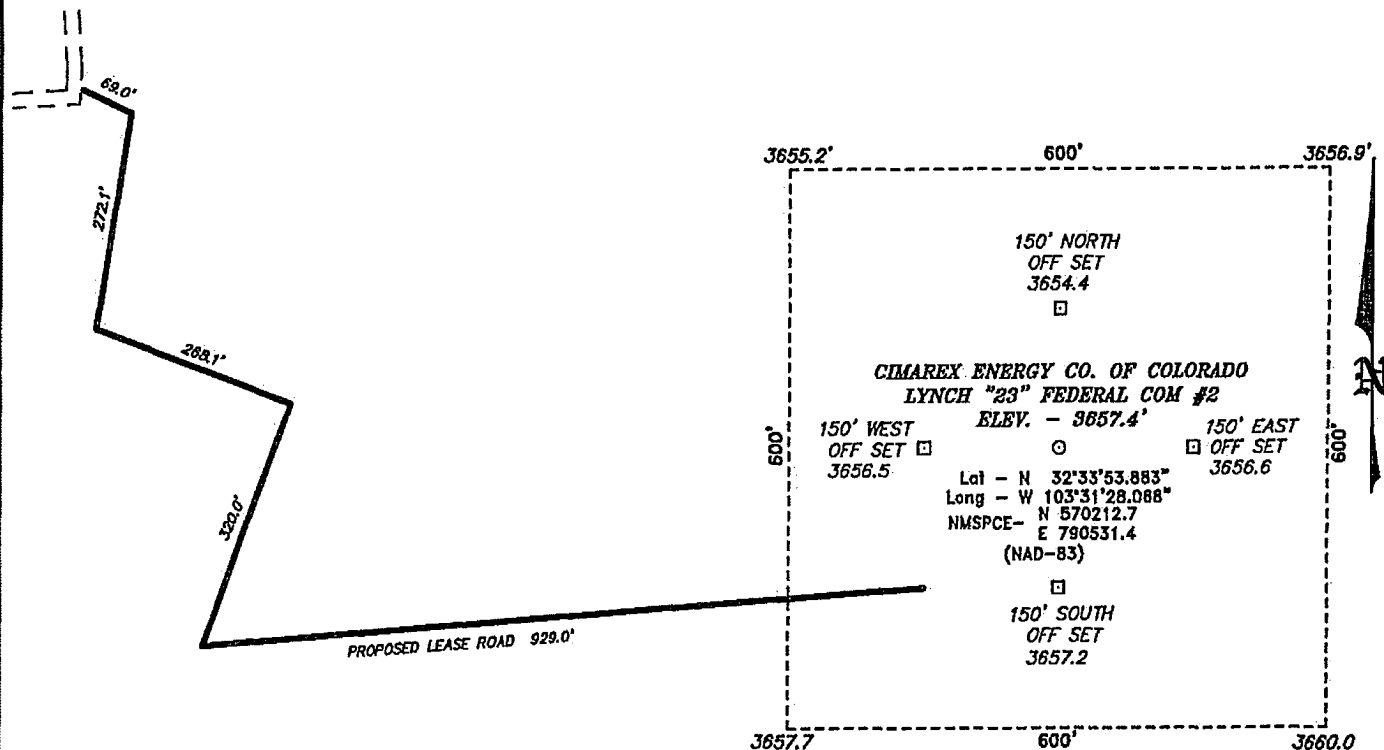
Survey Date: 09-10-2010

Scale: 1" = 2000'

Date: 09-14-2010

CIMAREX
ENERGY CO.
OF COLORADO

SECTION 23, TOWNSHIP 20 SOUTH, RANGE 34 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



Directions to Location:

FROM THE JUNCTION OF 62-180 AND MARATHON ROAD, GO SOUTH 4.5 MILES TO LEASE ROAD, ON LEASE ROAD WEST WINDING SOUTHERLY 1.1 MILES TO PROPOSED LEASE ROAD.

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

W.O. Number: 23364 Drawn By: B. NIXON

Date: 09-14-2010 Disk: BJN 23364

CIMAREX ENERGY CO. OF COLORADO

REF: LYNCH "23" FEDERAL COM #2 / WELL PAD TOPO

THE LYNCH "23" FEDERAL COM #2 LOCATED 330'
FROM THE NORTH LINE AND 660' FROM THE EAST LINE OF
SECTION 23, TOWNSHIP 20 SOUTH, RANGE 34 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

Survey Date: 09-10-2010 Sheet 1 of 1 Sheets

Cimarex Energy Co.

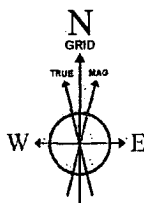
Location: Lea County, NM
Field: (Lynch) Sec 23, T20S, R34E
Facility: Lynch 23 Fed Com No. 2H

Slot: No. 2H SHL
Well: No. 2H
Wellbore: No. 2H PWB

Well Profile Data

Design Comment	MD (ft)	Inc (°)	Az (°)	TVD (ft)	Local N (ft)	Local E (ft)	DLS (°/100ft)	VS (ft)
Tie On	0.00	0.000	179.580	0.00	0.00	0.00	0.00	0.00
EST. KOP	10771.00	0.000	179.580	10771.00	0.00	0.00	0.00	0.00
END OF CURVE	11088.99	89.036	179.580	10975.60	-201.18	1.47	28.00	201.18
No. 2H PBL	15510.58	89.036	179.580	11050.00	-4622.03	33.86	0.00	4622.15

Plot reference wellpath is Prelim. 1	Grid System: NAD83 / TM New Mexico State Planes, Eastern Zone (3501), US feet
True vertical depths are referenced to Rig on No. 2H SHL (RT)	North Reference: Grid north
Measured depths are referenced to Rig on No. 2H SHL (RT)	Scale: True distance
Rig on No. 2H SHL (RT) to Mean Sea Level: 3657 feet	Depths are in feet
Mean Sea Level to Surface of Lynch 23 Fed Com No. 2H: 3657 feet	Created by: Victor Hernandez on 10/19/2010
Coordinates are in feet referenced to Facility Center	



BGGM (1945.0 to 2011.0) Dip: 60.55° Field: 48964 nT
Magnetic North is 7.70 degrees East of True North (at 10/19/2010)
Grid North is 0.44 degrees East of True North

To correct azimuth from True to Grid subtract 0.44 degrees
To correct azimuth from Magnetic to Grid add 7.26 degrees

For example: if the Magnetic North Azimuth = 90 degs, then the Grid North Azimuth = 90 + 7.26 = 97.26

