Cimarex Energy Co.
600 N. Marienfeld St.
Suite 600
Midland, Texas 79701
PHONE 432.571.7800

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CIMAREX

January 23, 2009

New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

RE: Cimarex Energy Co.'s Missouri Unit 13 Fee #5 Well
Case No. 14063, Order No. R-12924

Ladies and Gentlemen:

Please be advised that Cimarex Energy Co.'s Missouri Unit 13 Fee #5 well has been completed. Pursuant to paragraph 10 of the above-mentioned order, please find enclosed an itemized copy of the actual well costs for this well. The actual well costs for this well are <u>$4,154,966.43</u>.

Please contact me if you have any questions at the phone number below.

Sincerely,

Todd Meador
Landman, Permian Basin Region
Cimarex Energy Co.
(432) 571-7858

CIMAREX

AFE Budget / Cost Comparison
Gross Inception to Date Costs Through 01/23/2009
EMS Year: 2008

PERMIAN BASIN

MISSOURI UNIT 13 FEE 5 309501-021.01 Entity: Zone Operator: 460 CIMAREX ENERGY CO. OF COLORADO Section: 13 State: NM
SPUD Date: 03/25/2008 Township: 015-S County: Lea
Total Depth: 11,277 Range: 037-E

257198 MISSOURI UNIT 13 FEE 5 D&C HORIZONTAL WOLFCAMP WELL
AFE Begin Date: 11/14/2007 AFE Type: DRLNG
AFE Close Date: 08/04/2009
Net Ownership Interest: 0.73077620

		Dry Budget	Completed Budget	Total Budget	Inception to Date Gross Costs	Gross Billed	Variance	% Var
PRODUCING WELL INTANG COMPLET ACI								
DICC.100	MISC SITE PREPARATION	0	2,000	2,000	0.00	0.00	2,000.00	0.00
DICC.110	LOCATION RESTORATION	0	0	0	327.53	327.53	(327.53)	100.00
DICC.115	COMPLETION RIG	0	35,200	35,200	52,033.61	52,033.61	(16,833.61)	147.82
DICC.120	DRILLING RIG	0	63,000	63,000	94,060.74	94,060.74	(31,060.74)	149.30
DICC.125	BITS	0	1,000	1,000	0.00	0.00	1,000.00	0.00
DICC.130	FUEL	0	1,000	1,000	0.00	0.00	1,000.00	0.00
DICC.135	WATER, MUD & FLUIDS	0	15,000	15,000	16,910.64	16,910.64	(1,910.64)	112.74
DICC.140	SURFACE RENTALS	0	30,000	30,000	43,277.87	43,277.87	(13,277.87)	144.26
DICC.145	DOWNHOLE RENTALS	0	20,000	20,000	6,837.31	6,837.31	13,162.69	34.19
DICC.155	CEMENTING PRODUCTION CSG	0	30,000	30,000	33,835.45	33,835.45	(3,835.45)	112.78
DICC.160	TUBULAR INSPECTIONS	0	2,000	2,000	8,414.93	8,414.93	(6,414.93)	420.75
DICC.165	CASING CREWS	0	18,000	18,000	18,468.09	18,468.09	(468.09)	102.60
DICC.170	EXTRA LABOR, WELDING, ETC	0	5,000	5,000	1,916.78	1,916.78	3,083.22	38.34
DICC.175	TRUCKING	0	4,000	4,000	22,428.52	22,428.52	(18,428.52)	560.71
DICC.180	SUPERVISION	0	12,000	12,000	19,556.09	19,556.09	(7,556.09)	162.97
DICC.185	MEALS & ENTERTAINMENT	0	0	0	0.00	0.00	0.00	100.00
DICC.190	OTHER MISC EXPENSES	0	5,000	5,000	10,114.92	10,114.92	(5,114.92)	202.30
DICC.195	OVERHEAD	0	2,400	2,400	8,685.29	8,685.29	(6,285.29)	361.89
DICC.200	LOGGING, PERFORATING, WL UNIT	0	25,000	25,000	42,474.60	42,474.60	(17,474.60)	169.90
DICC.205	ACIDIZE, BREAKDOWN	0	0	0	240,095.05	240,095.05	(240,095.05)	100.00
DICC.210	FRACTURING, STIMULATION	0	220,000	220,000	8,787.28	8,787.28	211,212.72	3.99
DICC.220	CONTINGENCY	0	28,000	28,000	0.00	0.00	28,000.00	0.00
DICC.235	MUD/FLUIDS DISPOSAL	0	5,000	5,000	40,562.81	40,562.81	(35,562.81)	811.26
DICC.240	WELL CONTROL-EQUIP/SERVICES	0	21,000	21,000	7,638.98	7,638.98	13,361.02	36.38
DICC.250	MARINE/AIR TRANSPORTATION	0	0	0	1,123.42	1,123.42	(1,123.42)	100.00
DICC.255	TRAILER, CAMP & CATERING	0	3,000	3,000	0.00	0.00	3,000.00	0.00
DICC.260	COIL TUBING SERVICES	0	38,000	38,000	40,428.14	40,428.14	(2,428.14)	106.39
DICC.275	P&A COSTS	0	(150,000)	(150,000)	0.00	0.00	(150,000.00)	0.00
DICC.280	LEGAL/REGULATORY/CURATIVE-ACP	0	0	0	4,875.00	4,875.00	(4,875.00)	100.00

CIMAREX

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PERMIAN BASIN

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257198 MISSOURI UNIT 13 FEE 5 D&C HORIZONTAL WOLFCAMP WELL
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Net Ownership Interest: 0.73077620

		Dry Budget	Completed Budget	Total Budget	Inception to Date Gross Costs	Gross Billed	Variance	% Var
		0	435,600	435,600	722,853.05	722,853.05	(287,253.05)	165.94
PRODUCING WELL INTANG DRILLING BCF								
DIDC.100	ROADS & LOCATION	100,000	0	100,000	86,410.66	86,410.66	13,589.34	86.41
DIDC.105	DAMAGES	4,000	0	4,000	35,932.70	35,932.70	(31,932.70)	898.32
DIDC.110	LOCATION RESTORATION	0	0	0	619.94	619.94	(619.94)	100.00
DIDC.115	DRILLING RIG	652,000	0	652,000	1,000,474.56	1,000,474.56	(348,474.56)	153.45
DIDC.120	MISC PREPARATION COSTS	8,000	0	8,000	11,285.62	11,285.62	(3,285.62)	141.07
DIDC.125	BITS	80,000	0	80,000	79,188.99	79,188.99	811.01	98.99
DIDC.135	FUEL	82,000	0	82,000	130,788.71	130,788.71	(48,788.71)	159.50
DIDC.140	WATER	28,700	0	28,700	0.00	0.00	28,700.00	0.00
DIDC.145	MUD & ADDITIVES	57,400	0	57,400	60,345.23	60,345.23	(2,945.23)	105.13
DIDC.150	SURFACE RENTALS	86,000	0	86,000	47,705.76	47,705.76	38,294.24	55.47
DIDC.155	DOWNHOLE RENTALS	96,000	0	96,000	104,358.45	104,358.45	(8,358.45)	108.71
DIDC.170	MUD LOGGING	34,000	0	34,000	34,613.19	34,613.19	(613.19)	101.80
DIDC.180	OPEN HOLE LOGGING	55,000	0	55,000	34,462.11	34,462.11	20,537.89	62.66
DIDC.185	CMTNG, THRU INTERMED CSG	75,000	0	75,000	51,462.34	51,462.34	23,537.66	68.62
DIDC.190	TUBULAR INSPECTIONS	2,000	0	2,000	10,964.66	10,964.66	(8,964.66)	548.23
DIDC.195	CASING CREWS	19,000	0	19,000	11,694.71	11,694.71	7,305.29	61.55
DIDC.200	EXTRA LABOR, WELDING, ETC	24,600	0	24,600	4,542.42	4,542.42	20,057.58	18.47
DIDC.205	TRUCKING	28,700	0	28,700	15,200.30	15,200.30	13,499.70	52.96
DIDC.210	SUPERVISION	45,000	0	45,000	74,519.25	74,519.25	(29,519.25)	165.60
DIDC.215	MEALS & ENTERTAINMENT	0	0	0	0.00	0.00	0.00	100.00
DIDC.220	OTHER MISC EXPENSES	5,000	0	5,000	9,773.73	9,773.73	(4,773.73)	195.47
DIDC.225	OVERHEAD	12,000	0	12,000	7,606.42	7,606.42	4,393.58	63.39
DIDC.240	MOBILIZE & DEMOBILIZE	110,000	0	110,000	(282,089.63)	(282,089.63)	392,089.63	256.45
DIDC.245	DIRECTIONAL DRILLING	147,000	0	147,000	280,255.95	280,255.95	(133,255.95)	190.65
DIDC.255	MUD DISPOSAL	20,000	0	20,000	135,827.27	135,827.27	(115,827.27)	679.14
DIDC.260	SOLIDS CONTROL-EQUIP/SERVICES	123,000	0	123,000	108,010.77	108,010.77	14,989.23	87.81
DIDC.265	WELL CONTROL-EQUIP/SERVICES	41,000	0	41,000	126,327.61	126,327.61	(85,327.61)	308.12
DIDC.270	FISHING & SIDETRACK SERVICES	75,000	0	75,000	106,651.92	106,651.92	(31,651.92)	142.20

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PRODUCING WELL INTANG DRILLING BCF							
DIDC.280 TRAILER, CAMP & CATERING	21,000	0	21,000	47,280.43	47,280.43	(26,280.43)	225.14
DIDC.285 BLOWOUT INSURANCE	3,000	0	3,000	545.87	545.87	2,454.13	18.20
DIDC.295 P&A COSTS	150,000	0	150,000	0.00	0.00	150,000.00	0.00
DIDC.300 LEGAL/REGULATORY/CURATIVE BCP	3,000	0	3,000	4,986.30	4,986.30	(1,986.30)	166.21
DIDC.435 AFE CONTINGENCY	102,000	0	102,000	0.00	0.00	102,000.00	0.00
	2,289,400	0	2,289,400	2,339,746.24	2,339,746.24	(50,346.24)	102.20
PRODUCING WELL LEASE EQUIPMENT AC							
DLEQ.100 PUMPING UNIT, ENGINE	0	90,000	90,000	98,545.35	98,545.35	(8,545.35)	109.49
DLEQ.105 LIFT EQUIP (BHP,RODS,ANCHORS)	0	19,000	19,000	31,544.63	31,544.63	(12,544.63)	166.02
DLEQ.110 CONSTRUCTION FOR LEASE EQUIP	0	39,000	39,000	128,700.62	128,700.62	(89,700.62)	330.00
DLEQ.115 N/C LEASE EQUIPMENT	0	44,000	44,000	55,004.81	55,004.81	(11,004.81)	125.01
DLEQ.120 TANKS	0	21,000	21,000	40,293.75	40,293.75	(19,293.75)	191.88
DLEQ.125 BATTERY (HTR TRTR,SEPAR,GAS T)	0	18,000	18,000	13,947.23	13,947.23	4,052.77	77.48
DLEQ.130 FLOW LINES, LINE PIPE	0	1,000	1,000	38,209.73	38,209.73	(37,209.73)	820.97
DLEQ.220 METERING EQUIPMENT	0	0	0	1,566.64	1,566.64	(1,566.64)	100.00
	0	232,000	232,000	407,812.76	407,812.76	(175,812.76)	175.78
WELL EQUIPMENT ACP							
DWEA.100 PRODUCTION CSG/TIE BACK	0	174,000	174,000	214,969.60	214,969.60	(40,969.60)	123.55
DWEA.105 TUBING	0	73,000	73,000	149,114.08	149,114.08	(76,114.08)	204.27
DWEA.110 CONSTRUCTION FOR WELL EQUIP	0	1,000	1,000	0.00	0.00	1,000.00	0.00
DWEA.115 N/C WELL EQUIPMENT	0	9,000	9,000	72,981.49	72,981.49	(63,981.49)	810.91
DWEA.120 WELLHEAD, TREE, CHOKES	0	35,000	35,000	11,725.15	11,725.15	23,274.85	33.50
DWEA.130 PACKER, NIPPLES	0	70,000	70,000	101,748.76	101,748.76	(31,748.76)	145.36
DWEA.140 PIPELINES TO SALES	0	0	0	4,183.30	4,183.30	(4,183.30)	100.00
	0	362,000	362,000	554,722.38	554,722.38	(192,722.38)	153.24
WELL EQUIPMENT BCP							
DWEB.110 N/C WELL EQUIPMENT	0	0	0	(1,436.02)	(1,436.02)	1,436.02	100.00
DWEB.115 WELLHEAD, TREE, CHOKES	15,000	0	15,000	7,610.09	7,610.09	7,389.91	50.73
DWEB.140 SURFACE CASING	26,000	0	26,000	25,862.00	25,862.00	138.00	99.47

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WELL EQUIPMENT BCP							
DWEB.145 INTERMEDIATE CASING	89,000	0	89,000	97,795.93	97,795.93	(8,795.93)	109.88
DWEB.150 DRIVE PIPE	4,000	0	4,000	0.00	0.00	4,000.00	0.00
	134,000	0	134,000	129,832.00	129,832.00	4,168.00	96.89
PRODUCING WELL INTANG COMPLET ACP	0	435,600	435,600	722,853.05	722,853.05		
PRODUCING WELL INTANG DRILLING BCP	2,289,400	0	2,289,400	2,339,746.24	2,339,746.24		
PRODUCING WELL LEASE EQUIPMENT ACP	0	232,000	232,000	407,812.76	407,812.76		
WELL EQUIPMENT ACP	0	362,000	362,000	554,722.38	554,722.38		
WELL EQUIPMENT BCP	134,000	0	134,000	129,832.00	129,832.00		
	2,423,400	**1,029,600**	**3,453,000**	**4,154,966.43**	**4,154,966.43**		
ACP	0	1,029,600	1,029,600	1,685,388.19	1,685,388.19		
BCP	2,423,400	0	2,423,400	2,469,578.24	2,469,578.24		
	2,423,400	**1,029,600**	**3,453,000**	**4,154,966.43**	**4,154,966.43**		