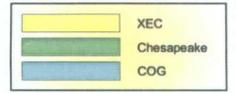
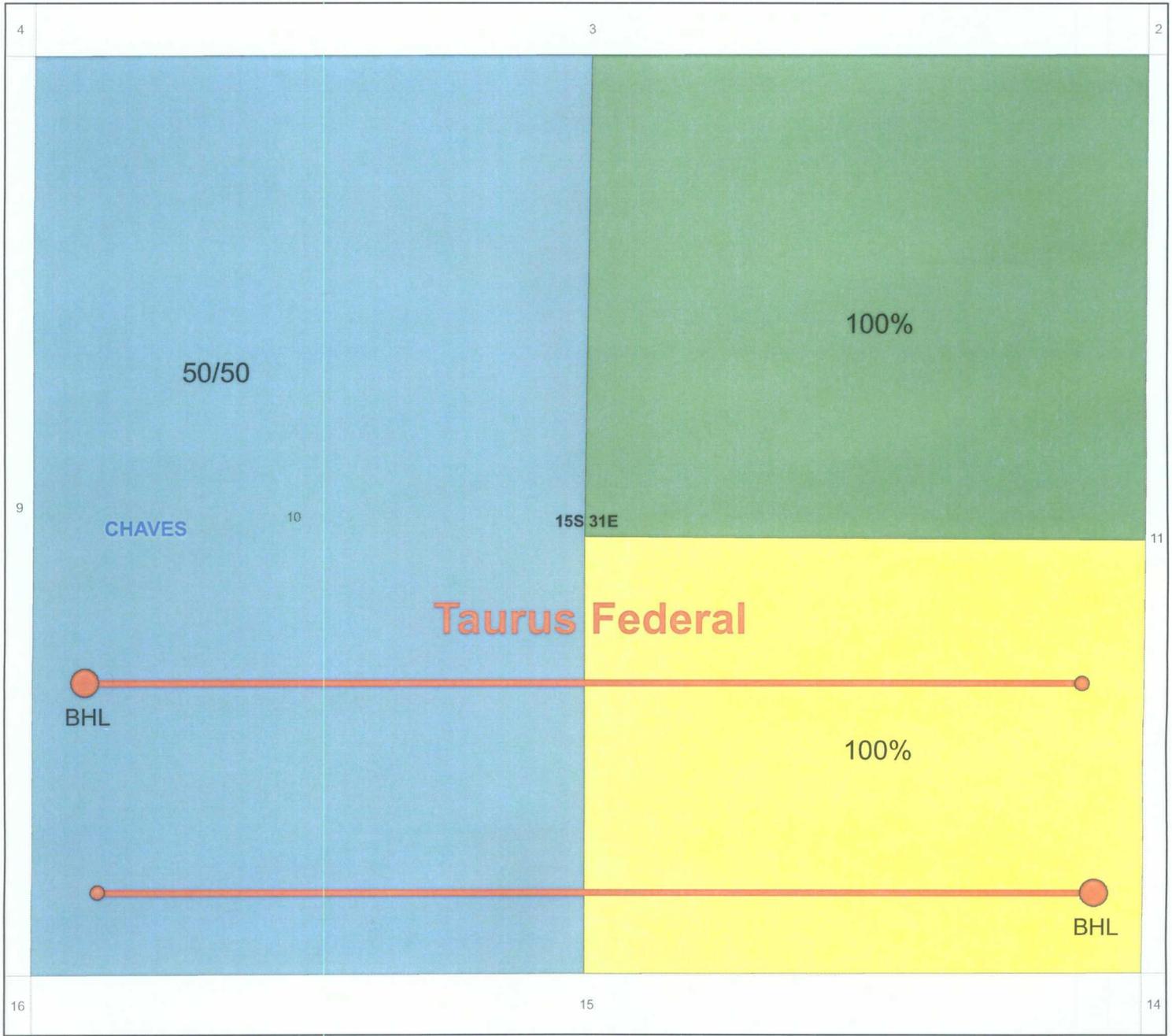


Caprock - Section 10



Cimarex Energy Co.
508 W. Wall Street
Suite 600
Midland, Texas 79701
PHONE 432.571.7800
FAX 432.571.7832



February 18, 2008

Via Certified Mail Reference No. 7005 0390 0002 9916 7778

Chevron U.S.A., Inc.
11111 South Wilcrest
Houston, Texas 77099

Attn: Kevin R. McNally

Re: Cimarex Energy Co.
Amended Offer-Request for Term Assignment
600.00-acres
Chaves and Eddy Counties, New Mexico

Mr. McNally:

In reference to my Request for Term Assignment Letter dated January 30, 2008, Cimarex Energy Co. ("Cimarex"), hereby seeks to retract our initial offer and extend to Chevron U.S.A., Inc. ("Chevron") an amended offer of \$[REDACTED] per net leasehold acre (640 acres X \$[REDACTED] = \$[REDACTED]) for a two (2) year term assignment, whereunder Cimrex would receive a 75.00% net revenue interest lease(s). Said term assignment would provide for 180 day continuous development upon expiration and cover Chevron's one-hundred percent (100%) interest in the leasehold estate under the following lands:

T15S-R31E Chaves County, New Mexico:

Section 10-SE/4;
Section 16-NE/4SW/4, S/2SW/4, SW/4SE/4;
Section 19-S/2NE/4;
Section 23-N/2NE/4, SE/4NE/4;
Section 30-SW/4SW/4

T16S-R29E Eddy County, New Mexico:

Section 15-NW/4SW/4-below 3,500 subsurface;
Section 21- SW/4NE/4-all depths

Thank you for the opportunity to evaluate the properties listed above. I would like to discuss our proposal with you in-person and would be available to meet in Houston at your earliest convenience. Please let me know if your schedule would allow.

Regards,

A handwritten signature in black ink, appearing to read "Hayden P. Tresner".
Hayden P. Tresner
Landman



James E. Baca
Staff Land
Representative
Land Department
New Mexico Asset
Development

Chevron North America
Exploration and Production
Company
MidContinent Alaska BU
11111 S. Wilcrest
Houston, Texas 77099
Tel 281-561-3605
Fax 866-887-5130
jmeb@chevron.com

September 22, 2008

Hayden -
NOTE: 19.4 ~ PROVIDE INFO TO
CHV.
27.1 ~ CALL OF PRODUCTIONS

Cimarex Energy Co.
Attn: Mr. Hayden P. Tresner, Landman
600 N. Marienfeld St, Suite 600
Midland, Texas 79701

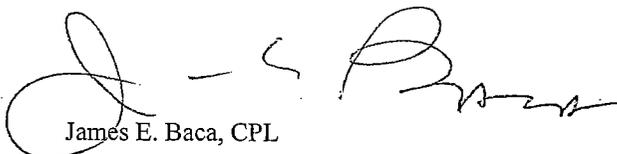
Re: Term Assignment dated effective
September 1, 2008, between Chevron
and Cimarex, Eddy and Chaves Counties,
New Mexico

Gentlemen:

Enclosed herewith for your execution are two (2) original duplicate copies each of a Term Assignment and Memorandum of Term Assignment which have been fully executed by an Attorney-in-Fact of Chevron U. S. A. Inc. Upon your execution of all copies, please return one (1) fully executed set of the Term Assignment and Memorandum of Term Assignment back to me for our records. I trust that Cimarex will wire transfer as soon as possible the agreed upon bonus [REDACTED] for this Term Assignment to Chevron U. S. A. Inc. in our following bank account: [REDACTED] Remarks: Please note on wire transfer that money is for Lease Bonus covering Cimarex Eddy and Chaves Counties Term Assignment, Attn: Barbara Brown.

Should you have any questions in this regard, please do not hesitate to contact me at 281-561-3605.

Very truly yours,


James E. Baca, CPL

Enclosure

MEMORANDUM OF TERM ASSIGNMENT

STATE OF NEW MEXICO §

COUNTIES OF EDDY AND CHAVES §

KNOW ALL MEN BY THESE PRESENTS:

THAT CHEVRON U.S.A. INC., a Pennsylvania corporation ("Assignor"), with a mailing address at 11111 S. Wilcrest, Houston, Texas 77099, and Cimarex Energy Co., a Delaware corporation ("Assignee"), whose mailing address is 600 N. Marienfeld, Ste. 600, Midland, Texas 79701, hereby acknowledge and give notice that Assignor executed and delivered to Assignee a Term Assignment ("Term Assignment"), dated and effective as of the hereinafter specified effective date, under the terms of which Assignor has TRANSFERRED, ASSIGNED, AND CONVEYED to Assignee oil, gas and mineral leases ("Assigned Leases") described in Exhibit A, attached hereto and made a part hereof for all purposes, relating to the lands described in the Assigned Leases as to the depths described in Exhibit A ("Assigned Premises"), all located in Eddy and Chaves Counties New Mexico.

The Term Assignment grants Assignee the exclusive right to explore for, drill for, produce and market oil, gas and other hydrocarbons from the Assigned Premises during the term of the Term Assignment, the right to construct and maintain for its use and operations such facilities as are provided in the Term Assignment, and the right of ingress and egress on and over the Assigned Premises. Unless defined herein, all capitalized terms have the same definition as found within the Term Assignment.

The Term Assignment provides for an assignment term commencing on September 1, 2008, the Effective Date thereof, and lasting for 2 years ("Primary Term"), and for as long thereafter as oil and gas is produced from the Assigned Premises in paying quantities, Assignee is engaged in Continuous Drilling Operations, or so long as the Term Assignment may be continued in force and effect under the other terms and provisions thereof, subject, however, to all of the terms, conditions and provisions as set forth therein.

The Term Assignment provides that if Continuous Drilling Operations are not in progress at the expiration of the Primary Term, or if, at any time after the expiration of the Primary Term, Continuous Drilling Operations cease, the Term Assignment will then terminate as to:

1) All Assigned Leases and Assigned Premises except as to those Assigned Leases and Assigned Premises included within a drilling, spacing or proration unit established under rules and regulations of the governmental authority having jurisdiction for such wells as are then capable of being producers of oil and/or gas in paying quantities or on which Assignee is then engaged in bona fide operations to establish or restore production of oil or gas.

2) *Depths within retained drilling, spacing or proration units except depths from the surface down to the stratigraphic equivalent of the base of the deepest producing formation.*

The Term Assignment excepts and reserves to Assignor an overriding royalty interest as follows:

- 1) On oil, including condensate, distillate, and all hydrocarbons produced in a liquid form at the mouth of the well or recovered from oil or gas run through a separator or other equipment, an amount equal to the difference between (i) 25% of the gross production or the market value of such production, at the option of Assignor, and (ii) the percentage total of all Lease Burdens.
- 2) On gas (including casinghead gas and any other gaseous substances) not processed in a plant for the recovery of gasoline, liquid hydrocarbons, or other substances, an amount equal to the difference between (i) 25% of the gross production or the market value of such production, at the option of Assignor, and (ii) the percentage total of all Lease Burdens.
- 3) On gas processed in a plant for the recovery of gasoline, liquid hydrocarbons, or other substances, an amount equal to the difference between (i) 25% of the residue gas, liquid hydrocarbons and other substances extracted or the market value of same, at the option of Assignor, and (ii) the percentage total of all Lease Burdens, which difference will then be multiplied by the applicable amounts as described in the Term Assignment.

The purpose of this Memorandum of Term Assignment ("Memorandum") is to evidence of record the existence of the Term Assignment and Assignor and Assignee have agreed to file this Memorandum in the records of Eddy and Chaves Counties New Mexico in lieu of filing the Term Assignment in full in said Counties. An executed counterpart of the Term Assignment is in the possession of Assignor at its office in 11111 S. Wilcrest, Houston, Texas 77099 and an executed counterpart of the Term Assignment is in the possession of Assignee at its office in 600 N. Marienfeld, Ste. 600, Midland, Texas 79701.

In executing and recording this Memorandum, Assignee agrees that it has accepted said Term Assignment and has become bound by all of the terms, conditions, covenants, restrictions and obligations imposed on Assignee by the Term Assignment.

This instrument may be executed either as one instrument or in several partially executed counterparts and the original and all counterparts shall be construed together and shall constitute one instrument. For recordation purposes, the separate signature pages and acknowledgments may be affixed to the body of an original instrument without necessity of recording the entirety of each separate counterpart.

IN WITNESS WHEREOF, this instrument is executed on the respective dates of the parties' acknowledgments hereto, but effective for all purposes as of September 1, 2008.

ASSIGNOR:
CHEVRON U. S. A. INC. 1

By: C. D. Frisbie

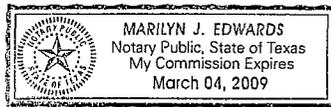
Name: C. D. Frisbie

Title: Attorney-in-Fact

STATE OF TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on September 1, 2008, by C. D Frisbie, Attorney-in-Fact for Chevron U. S. A. Inc., a Pennsylvania corporation, on behalf of said corporation.



Marilyn Edwards
Notary Public, State of Texas

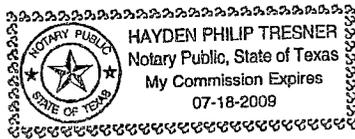
ASSIGNEE:
CIMAREX ENERGY CO.

By: [Signature]
Name: Roger Alexander
Title: Attorney-in-Fact

STATE OF TEXAS §

COUNTY OF MIDLAND §

This instrument was acknowledged before me on September 29th, 2008, by Roger Alexander, Attorney-in-Fact for Cimarex Energy Co., a Delaware corporation, on behalf of said corporation.



[Signature]
Notary Public, State of _____

EXHIBIT A –OIL AND GAS LEASES ASSIGNED

ATTACHED TO AND MADE A PART OF MEMORANDUM OF TERM ASSIGNMENT
DATED EFFECTIVE SEPTEMBER 1, 2008,
BETWEEN CHEVRON U.S.A. INC., AS ASSIGNOR
AND CIMAREX ENERGY CO., AS ASSIGNEE

DESCRIPTION OF OIL AND GAS LEASES ASSIGNED:

LAND FILE #: QLS # 316753
LEASE DATE: January 4, 1940
LESSOR: State of New Mexico (B-8459)
LESSEE: Gulf Oil Corporation
RECORDED: N/A
DESCRIPTION: Insofar and only insofar as the lease covers:
Township 15 South, Range 31 East, Chaves County, New Mexico

Section 10: SE/4, all depths
Section 16: NE/4SW/4, S/2SW/4, SW/4SE/4, all depths
Section 19: S/2NE/4, all depths below the base of unitized Queen formation covering the South Caprock Queen Unit. The base of such unitized Queen formation found at 3,108 feet in the Union Oil Company of California Federal-Medlin No. 4-17 well in the NW/4NW/4 of Section 17, T-15-S, R-31-E, Chaves County, New Mexico.
Section 23: E/2NE/4, NW/4NE/4, all depths

LAND FILE #: QLS # 085415
LEASE DATE: December 10, 1951
LESSOR: State of New Mexico (E-5819)
LESSEE: Tide Water Associated Oil Company
RECORDED: N/A
DESCRIPTION: Insofar and only insofar as the lease covers:
Township 15 South, Range 31 East, Chaves County, New Mexico

Section 29: W/2E/2, SE/4SE/4, all depths

LAND FILE #: QLS # 085421
LEASE DATE: July 6, 1943

LESSOR: State of New Mexico (B-10419)
LESSEE: Bernice R. Piatt
RECORDED: N/A
DESCRIPTION: Insofar and only insofar as the lease covers:
Township 15 South, Range 31 East, Chaves County, New Mexico

Section 30: Lot 4, all depths below the base of the unitized Queen formation covering the South Caprock Queen Unit. The base of such unitized Queen formation found at 3,108 feet in the Union Oil Company of California Federal-Medlin No. 4-17 well in the NW/4NW/4 of Section 17, T-15-S, R-31-E, Chaves County, New Mexico.

LAND FILE #: QLS # 090539
LEASE DATE: February 10, 1945
LESSOR: State of New Mexico (E-134)
LESSEE: Skelly Oil Company
RECORDED: N/A
DESCRIPTION: Insofar and only insofar as the lease covers:
Township 16 South, Range 29 East, Eddy County, New Mexico

Section 15: NW/4SW/4, all depths below 3,500 feet
Section 21: SW/4NE/4, all depths

Township 17 South, Range 29 East, Eddy County, New Mexico

Section 4: NW/4SW/4, all depths below 2,405 feet

LAND FILE #: QLS# 085920
LEASE DATE: January 1, 1940
LESSOR: United States of America (NMLC-029424)
LESSEE: Ada Nye Etz
RECORDED: N/A
DESCRIPTION: Insofar and only insofar as the lease covers:
Township 16 South, Range 30 East, Eddy County, New Mexico

Section 25: SE/4, all depths below 4,000 feet

LAND FILE # : QLS# 315835
LEASE DATE: December 11, 1944
LESSOR: State of New Mexico (B-11662)
LESSEE: Gulf Oil Corporation
RECORDED: N/A
DESCRIPTION: Insofar and only insofar as the lease covers:
Township 17 South, Range 29 East, Eddy County, New Mexico

Section 4: Lots 1, 3, 4, NE/4SW/4, SW/4SW/4, SE/4,
all depths below 2,800 feet

LAND FILE #: QLS# 085943
LEASE DATE: November 1, 1991
LESSOR: United States of America (NMLC-029020-M)
LESSEE: Texaco Exploration and Production Inc.
RECORDED: N/A
DESCRIPTION: Insofar and only insofar as the lease covers:
Township 17 South, Range 30 East, Eddy County, New Mexico

Section 3: Lots 3, 4, S/2NW/4, all depths below 4,000
feet

END OF EXHIBIT A