

Authorization For Expenditure

Cimarex Energy	/ Ca.					Deixel	November 30, 2009
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Permian	Penny Pinch	er 21 Fed Com	1H	West Luck) - -		
SHL: Approx 66	0 FN, 990 FWL of 0 FS & WL, Sec 2	Sec 21, 195-31E		Eddy		IVI Gas	x Expl x Prod
					S. K. Calvanian		
Original Estimat	te	. 0		The second section of the second seco	ndiring traces cannot prove the constitution of	A STATE OF THE COST PARTIES OF THE COST PERSON OF T	13,500'
Revised Estimat Supplemental E		0					9,100'
agrandings	ete a NM Bone Sp	ring horizontal v		bilot hole. 10 stages 4500' V	and the same of th		
Intangibles Drilling Costs				Dry Hole Cost \$1,334,990	An	er Casing Point	Completed Well Cost \$1,234,990
ompletion Costs otal Intangible Costs			\$1,334,990	:	\$959,375 \$ 959.375	\$959,375 \$2,294,36 5	
rotarintangiole	COSCS			31,334,330		3337,373	J2,234,363
Tangibles				£375.000		CD17 10C	61 206 106
rell Equipment rase Equipment			\$379.000	W886	\$917.196 \$96.500	\$1,296.196 \$96.500	
otal Tangible Well Cost			\$379,000		\$1,013,696	\$1,392,696	
Plug and Aband	on Cost			\$150,000	:	-\$150.000	; \$0
otal Well Cost				\$1,863,990		\$1,823,071	\$3,687,061
inless otherwise to long as Opera- sourance, you mater than commity insurance pro- If I elect to purch /ell control insu- lated redrilling he above costs a lithout affecting in the costs and the costs are costs and the costs and the costs are costs and the costs and the costs are costs are costs are costs and the costs are costs are costs are costs and the costs are cos	tor conducts open nust provide a cer encement of drill cured by Operato ase my own well cont rance procured b and clean-up/pol	you, as a non-orations hereunded tificate of such in ing operations. Your insurance policy. You operator, providution expense of y and anticipate in for expenditure.	er and to pay insurance acce you agree that index, among a covering drilling trouble free catherein grant	king interest owner, agree to your prorated share of the p potable to Operator, as to fo t failure to provide the certi- other terms, for \$20,000,000 ag (through completion) with operations without any forested. By approval of this AFE,	be covered by O remiums thereform and limits, at the ficate of insurance of insuran	perator's well contre. If you elect to p the time this AFE is e, as provided here ombined Single Lim 20% W.I.) deductibl plans. The actual or rest owner agrees to	ol insurance procured by Operator urchase your own well control returned, if available, but in no event in, will result in your being covered it coverage for well control and e. costs may exceed the estimated costs of pay its proportionate share of eagreement covering this well.
			(Digwestick	Cimarex Energy Co. Ap	pproval		
				Joint Interest Appr	oval		
jing-siny syaétan							

Case No. 14418

CIMAREX ENERGY Exhibit # 5

1/4/2010 2:47 PM



Project Cost Estimate

Lease Name: Penny Pincher 21 Fed Com Well No.: 1H or a second Roads & Location Preparation / Restoration \$30,000 | 6100,100 | \$3,000: \$37,000 010/0.305 \$10,000 | 0100.133 } \$10,000 :Damages Mud / Fluids Disposal Charges \$56,000: \$100,488 \$45,000 \$101,000 34 OH Days SIACP Days @ \$388,0001 6101.326 Per Day \$57,000 \$445,000 DR00.113 Day Race \$5,000 (4) Misc Preparation Cost (mouse hole, rat hole, pads, pile clusters, misc.) M00.10 \$5,000 Bits \$80,000produces 1 \$11,000 \$91,000 Fuel \$2.50 Per Gallon :Gallons Per Day \$30,0001 \$100,130 \$11,000 \$91.000 \$36,2701 picc.138 | \$29,250 || :Water / Completion Fluids \$64,375 \$100,545 Mud & Additives \$29,250 2000.083 Surface Rentals Per Day \$20,0001 (100,546) \$95,000 \$115,000 Downhole Rentals \$77,970: 0:00.148 260,000,000 \$14,000 \$91,970 Formation Evaluation (DST, Coring including evaluation, G&G Services) \$0 0/00(36) 25 Per Day \$25,000 8 \$35,000 Mud Logging \$25,000 Onen Hole Logging 010/0.080 \$25,000 Cementing & Float Equipment \$20,000 0/06,189 \$65,000 03/00/285 \$85,000 Tubular Inspections 3106,120 \$5,000 0,00,130 \$3,000 \$8,000 Casing Crews 0100.063 \$9,000\ 1900.153 \$14,000 \$23,000 Extra Labor, Welding, Etc \$10,000 \$5,000 \$15,000 \$20,000 01070,275 Land Transporation (Trucking) \$4,000 \$24,000 Per Day \$44,0001 (000.13) \$14,000 \$58,000 Supervision 010(0.13,1 Trailer House / Camp / Catering \$20,000 0010.455 400! Per Day 040/0.130 \$4,000 \$24,000 Other Misc Expenses 010/0.220 \$2,000 0(00,593 \$7,000 \$9,000 Overhead 300!Per Day \$12,000 Brockiss \$3,000 \$15,000 \$30,000 Remedial Cementing CIDALLES 50 MOB/DEMOB \$30,000 Directional Drilling Services 13 Days @ 7,200:*Per Day* S114,000 3114,000 MOC.343 Dock, Dispatcher, Crane 366,336 0FDC.250 SO! Marine & Air Transportation 9(04),173 50! \$24,400 iPer Dav \$24,400 Solids Control 01000036 Well Control Equip (Snubbing Svcs.) \$35,100 0000.040 \$11,000 \$46,100 Fishing & Sidetrack Operations \$0) 6100.245 SC 7 Days @ 3,400 Fer Day \$36,000 \$36,000 Completion Ria 0000.015 530,000 Coil Tubing Davs @ Per Day 0,000,060 530,000 Completion Logging, Perforating, WL Units. WL Surveys 0000,200 \$8,000 \$8,000 Stimulation \$425,000 \$425.000 Legal / Regulatory / Curative \$13,000 picc..... \$5,000 \$13,000 50.35 Per Foot Well Control Insurance \$5,000 124.65 0100.338 5% of Drilling Intangibles \$64,0001 0/00,000 \$25,000 \$89,000 Contingency \$50,000 Construction For Well Equipment \$WEA.120 \$50,000 Construction For Lease Equipment 2000.000 SO: Construction For Sales P/L 01001265 50; Total Intangible Cost \$1,334,990 \$959,375 \$2,294,365 (Sangele-Street Engineer) Size Feet S / Foot !Casing 30 40.00! \$0.00i pwss.usp 50 Drive Pipe SO Conductor Pipe DW 53.130 \$68,000 20 620.00 \$68,000 \$110.00% pweedes Water String 13-3/8" 2500.00 \$63.90! SWEELING \$160,000 Surface Casing \$150,000 \$136,000 Intermediate Casing 9 5/8" 4100.00 \$33.26 pw/88.245 \$136,000 \$0 50 Drilling Liner DW 58.24.5 CW88,145 SO! SO: Drilling Liner \$35.80 7" 8500.00 \$307,000 Production Casing or Liner DW8A.100 (5307,000 Production Tie-Back 4 1/2" 4600.00 \$15.26 DWEA.100 \$70,196 \$70,195 2 7/8" 8400.00 \$61,000 561,000 \$7.30 0WEA.108 Tubing \$65,000 \$65,000 DWEA.115 N/C Well Equipment Wellhead, Tree, Chokes DW45.315 ! \$15,0001 09/54,110 \$18,000 \$33,000 Liner Hanger, Isolation Packer DWESLICO \$0! oweruse ! \$145,000 \$145,000 Packer, Nipples OMERTED , \$1,000 \$1,000 Pumping Unit, Engine \$190,000 \$190,000 Lift Equipment (8HP, Rods, Anchors) \$60,000 Tangble Less Equipment \$7,500 \$7,500 N/C Lease Equipment DLSQ.13.5 Tonks, Tanks Steps, Stairs 0130,120 \$62,000 \$62,000 Battery (Heater Treater, Separator, Gas Treating Equipment) 01/30/133 \$24,500 \$24,500 Flow Lines (Line Pipe from wellhead to central facility) 54.80,1.30 \$2,500 \$2,500 Offshore Production Structure for Facilities 50: DW54,235 \$0 50 Pipeline to Sales DWE4.149 \$1,392,696 \$1,013,696 \$379,000 **Total Tangibles** \$150,000: 0100.273 -\$150,000 50 P&A Costs \$1,863,990 \$1,823,071 \$3,687,061 Total Cost