

Cimarex Energy Co.

600 N. Marienfeld St.

Suite 600

Midland, Texas 79701

PHONE 432.571.7800



September 7, 2010

Nearburg Exploration Company, L.L.C.

Attn: Terry Gant

3300 North "A" Street

Building 2, Suite 120

Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No.91 7108 2133 3938 4680 5582

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

The intended surface hole location for the well is approximately 330 feet FNL and 660 feet FEL and the intended bottom hole location is approximately 330 feet FSL, 660 feet FEL. The well is proposed to be drilled vertically to a depth of approximately 11,150 feet to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 15,750 feet from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Lynch 23 Federal #1H Well. If you intend to participate, please approve and return one (1) original of the enclosed AFE and one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

In the event you do not wish to participate in drilling the proposed well, Cimarex Energy Co. will consider acquiring your interest through a Term Assignment for \$400 per net mineral acre for a two (2)

Oil Conservation Division

Case No. 3

Exhibit No. 3



year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com

Confirmation	Package ID: 9171082133393846805582	E-CERTIFIED
	Nearburg Exploration Company, L.L.C.	PRCBP FREN
	Attn: Terry Gant	PBP Account #: 35644897
	3300 North "A" Street	Serial #: 3132785
	Building 2, Suite 120	SEP 07 2010 3:42P
	Midland, Texas 79705-5421	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY				
<ul style="list-style-type: none">Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.Print your name and address on the reverse so that we can return the card to you.Attach this card to the back of the mailpiece, or on the front if space permits.	<table border="1"><tr><td>A. Signature </td><td><input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</td></tr><tr><td>B. Received by (Printed Name) L. Ficsela</td><td>C. Date of Delivery 9/7</td></tr></table>	A. Signature 	<input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee	B. Received by (Printed Name) L. Ficsela	C. Date of Delivery 9/7
A. Signature 	<input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee				
B. Received by (Printed Name) L. Ficsela	C. Date of Delivery 9/7				
1. Article Addressed to: Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No				
	3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.				
	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes				

Well Proposal
September 7, 2010

2. Article Number
(Transfer from service label)

91 7108 2133 3938 4680 5582

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this _____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.

Cimarex Energy Co.

600 N. Marienfeld St.

Suite 600

Midland, Texas 79701

PHONE 432.571.7800



September 7, 2010

Donald Blackmar
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No. 91 7108 2133 3938 4680 5421

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

The intended surface hole location for the well is approximately 330 feet FNL and 660 feet FEL and the intended bottom hole location is approximately 330 feet FSL, 660 feet FEL. The well is proposed to be drilled vertically to a depth of approximately 11,150 feet to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 15,750 feet from surface to terminus.

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year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com

Confirmation Services	Package ID: 9171082133393846805421	E-CERTIFIED
		PRCBP FREN
	Donald Blackmar	
	c/o Nearburg Exploration Company, L.L.C.	PBP Account #: 35644897
	Attn: Terry Gant	Serial #: 3132785
	3300 North "A" Street	SEP 07 2010 3:38P
	Building 2, Suite 120	
	Midland, Texas 79705-5421	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
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	B. Received by (Printed Name) L. Fiesela
	C. Date of Delivery 9/9
	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No
1. Article Addressed to: Donald Blackmar c/o Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421	3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.
2. Article Number (Transfer from service label)	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes

91 7108 2133 3938 4680 5421

Well Proposal
September 7, 2010



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this _____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.

Cimarex Energy Co.

600 N. Marienfeld St.

Suite 600

Midland, Texas 79701

PHONE 432.571.7800



September 7, 2010

Fred M. Nelson Farms
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No. 91 7108 2133 3938 4680 5490

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

The intended surface hole location for the well is approximately 330 feet FNL and 660 feet FEL and the intended bottom hole location is approximately 330 feet FSL, 660 feet FEL. The well is proposed to be drilled vertically to a depth of approximately 11,150 feet to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 15,750 feet from surface to terminus.

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year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com

Package ID: 9171082133393846805490		E-CERTIFIED
Fred M. Nelson Farms		PRCBP FRENV
c/o Nearburg Exploration Company, L.L.C.		PBP Account #: 35644897
Attn: Terry Gant		Serial #: 3132785
3300 North "A" Street		SEP 07 2010 3:38P
Building 2, Suite 120		
Midland, Texas 79705-5421		

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1. Article Addressed to: Fred M. Nelson Farms c/o Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421	3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.
2. Article Number (Transfer from service label)	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes

Well Proposal
September 7, 2010



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this _____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.

Cimarex Energy Co.

600 N. Marienfeld St.

Suite 600

Midland, Texas 79701

PHONE 432.571.7800



September 7, 2010

Eugene E. Nearburg
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No. 91 7108 2133 3938 4680 5483

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

The intended surface hole location for the well is approximately 330 feet FNL and 660 feet FEL and the intended bottom hole location is approximately 330 feet FSL, 660 feet FEL. The well is proposed to be drilled vertically to a depth of approximately 11,150 feet to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 15,750 feet from surface to terminus.

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In the event you do not wish to participate in drilling the proposed well, Cimarex Energy Co. will consider acquiring your interest through a Term Assignment for \$400 per net mineral acre for a two (2)




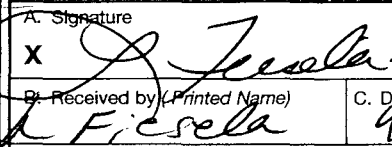
year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com

 Package ID: 9171082133393846805483	E-CERTIFIED PRCBP FREN
Eugene E. Nearburg c/o Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79706-5421	PBP Account #: 35644897 Serial #: 3132785 SEP 07 2010 3:38P

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none">Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.Print your name and address on the reverse so that we can return the card to you.Attach this card to the back of the mailpiece, or on the front if space permits.	A. Signature  <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee
1. Article Addressed to: Eugene E. Nearburg c/o Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79706-5421	B. Received by (Printed Name) E. E. Nearburg C. Date of Delivery 9/9
	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No
	3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.
	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes

2. Article Number
(Transfer from service label)

91 7108 2133 3938 4680 5483

Well Proposal
September 7, 2010

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this _____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

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Cimarex Energy Co.

600 N. Marienfeld St.

Suite 600

Midland, Texas 79701

PHONE 432.571.7800



September 7, 2010

Hideaway Partnership
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No. 91 7108 2133 3938 4680 5674

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

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Respectfully,

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com

Package ID: 9171082133393846805674	E-CERTIFIED PRCBP FRENV
Hideaway Partnership c/o Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421	PBP Account #: 35644897 Serial #: 3132785 SEP 07 2010 3:42P

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	B. Received By (Printed Name) <u>L. Ficsela</u> C. Date of Delivery <u>9/9</u>
	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No
1. Article Addressed to: Hideaway Partnership c/o Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421	3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.
2. Article Number (Transfer from service label)	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes

Well Proposal
September 7, 2010

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

91 7108 2133 3938 4680 5674



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

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Signature: _____

Title: _____

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Cimarex Energy Co.

600 N. Marinfeld St.

Suite 600

Midland, Texas 79701

PHONE 432.571.7800



September 7, 2010

Richard R. Finlay
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No. 91 7108 2133 3938 4680 5858

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

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year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

A handwritten signature in black ink, appearing to read "Steve Burke".

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

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Cimarex Energy Co.

600 N. Marienfeld St.

Suite 600

Midland, Texas 79701

PHONE 432.571.7800



September 7, 2010

Richard R. Finlay
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No. 91 7108 2133 3938 4680 5766

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

The intended surface hole location for the well is approximately 330 feet FNL and 660 feet FEL and the intended bottom hole location is approximately 330 feet FSL, 660 feet FEL. The well is proposed to be drilled vertically to a depth of approximately 11,150 feet to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 15,750 feet from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Lynch 23 Federal #1H Well. If you intend to participate, please approve and return one (1) original of the enclosed AFE and one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

In the event you do not wish to participate in drilling the proposed well, Cimarex Energy Co. will consider acquiring your interest through a Term Assignment for \$400 per net mineral acre for a two (2)



year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com

Confirmation Services	Package ID: 9171082133393846805858	E-CERTIFIED
	Destination ZIP Code: 79705	PRCBP FRENW
	Richard R. Finlay	
	c/o Nearburg Exploration Company, L.L.C.	PBP Account #: 35644897
	Attn: Terry Gant	Serial #: 3132785
	3300 North "A" Street	SEP 07 2010 3:37P
	Building 2, Suite 120	
	Midland, Texas 79705-6421	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none">Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.Print your name and address on the reverse so that we can return the card to you.Attach this card to the back of the mailpiece, or on the front if space permits.	<p>A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery 9/9</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:</p>
1. Article Addressed to: Richard R. Finlay c/o Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-6421	3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.
2. Article Number (Transfer from service label)	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes

Well Proposal
September 7, 2010

91 7108 2133 3938 4680 5858

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this _____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.

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



September 7, 2010

Holsum, Inc.
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No. 91 7108 2133 3938 4680 5667

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

The intended surface hole location for the well is approximately 330 feet FNL and 660 feet FEL and the intended bottom hole location is approximately 330 feet FSL, 660 feet FEL. The well is proposed to be drilled vertically to a depth of approximately 11,150 feet to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 15,750 feet from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Lynch 23 Federal #1H Well. If you intend to participate, please approve and return one (1) original of the enclosed AFE and one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

In the event you do not wish to participate in drilling the proposed well, Cimarex Energy Co. will consider acquiring your interest through a Term Assignment for \$400 per net mineral acre for a two (2)



year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com

Confirmation Services	Package ID: 9171082133393846805667	E-CERTIFIED
	Holsum, Inc.	PRCBP FREN
	c/o Nearburg Exploration Company, L.L.C.	PBP Account #: 35644897
	Attn: Terry Gant	Serial #: 3132785
	3300 North "A" Street	SEP 07 2010 3:42P
	Building 2, Suite 120	
	Midland, Texas 79705-5421	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none">Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.Print your name and address on the reverse so that we can return the card to you.Attach this card to the back of the mailpiece, or on the front if space permits.	A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee
	B. Received by (Printed Name) L. Fieseler
	C. Date of Delivery 9/7
	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No
1. Article Addressed to: Holsum, Inc. c/o Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421	3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.
	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes

Well Proposal
September 7, 2010

2. Article Number
(Transfer from service label)

91 7108 2133 3938 4680 5667



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this _____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.

Cimarex Energy Co.

~600 N. Marienfeld St.

Suite 600

Midland, Texas 79701

PHONE 432.571.7800



September 7, 2010

Joe R. Wright
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No. 91 7108 2133 3938 4680 5568

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

The intended surface hole location for the well is approximately 330 feet FNL and 660 feet FEL and the intended bottom hole location is approximately 330 feet FSL, 660 feet FEL. The well is proposed to be drilled vertically to a depth of approximately 11,150 feet to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 15,750 feet from surface to terminus.

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In the event you do not wish to participate in drilling the proposed well, Cimarex Energy Co. will consider acquiring your interest through a Term Assignment for \$400 per net mineral acre for a two (2)

Well Proposal
September 7, 2010



year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com

Confirmation Services	Package ID: 9171082133393846805568	E-CERTIFIED
		PRCBP FREN
	Joe R. Wright c/o Nearburg Exploration Company, L.L.C. — Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421	PBP Account #: 35644897 Serial #: 3132785 SEP 07 2010 3:37P

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY						
<ul style="list-style-type: none">Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.Print your name and address on the reverse so that we can return the card to you.Attach this card to the back of the mailpiece, or on the front if space permits.	<table border="1"><tr><td>A. Signature </td><td><input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</td></tr><tr><td>B. Received by (Printed Name) Joe R. Wright</td><td>C. Date of Delivery 9/7/10</td></tr><tr><td colspan="2">D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</td></tr></table>	A. Signature 	<input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee	B. Received by (Printed Name) Joe R. Wright	C. Date of Delivery 9/7/10	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
A. Signature 	<input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee						
B. Received by (Printed Name) Joe R. Wright	C. Date of Delivery 9/7/10						
D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No							
1. Article Addressed to: Joe R. Wright c/o Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421	3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.						
2. Article Number (Transfer from service label)	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes						

Well Proposal
September 7, 2010

2. Article Number
(Transfer from service label)

91 7108 2133 3938 4680 5568



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this _____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.

Cimarex Energy Co.

600 N. Marienfeld St.

Suite 600

Midland, Texas 79701

PHONE 432.571.7800



September 7, 2010

LDH Holdings, LLC
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No. 91 7108 2133 3938 4680 5599

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

The intended surface hole location for the well is approximately 330 feet FNL and 660 feet FEL and the intended bottom hole location is approximately 330 feet FSL, 660 feet FEL. The well is proposed to be drilled vertically to a depth of approximately 11,150 feet to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 15,750 feet from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Lynch 23 Federal #1H Well. If you intend to participate, please approve and return one (1) original of the enclosed AFE and one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

In the event you do not wish to participate in drilling the proposed well, Cimarex Energy Co. will consider acquiring your interest through a Term Assignment for \$400 per net mineral acre for a two (2)



year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com

Confirmation Services	Package ID: 9171082133393846805599	E-CERTIFIED PRCBP FREN
	LDH Holdings, LLC c/o Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421	PBP Account #: 35644897 Serial #: 3132785 SEP 07 2010 3:37P

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

LDH Holdings, LLC
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

2. Article Number
(Transfer from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X *L. Fiesler* ☐ Agent
☐ Addressee

B. Received by (Printed Name) *L. Fiesler* C. Date of Delivery *9/9*

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

91 7108 2133 3938 4680 5599

Well Proposal
September 7, 2010



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this _____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.

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



September 7, 2010

Jack B. Shook, Jr.
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No. 91 7108 2133 3938 4680 5773

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

The intended surface hole location for the well is approximately 330 feet FNL and 660 feet FEL and the intended bottom hole location is approximately 330 feet FSL, 660 feet FEL. The well is proposed to be drilled vertically to a depth of approximately 11,150 feet to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 15,750 feet from surface to terminus.

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Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Lynch 23 Federal #1H Well. If you intend to participate, please approve and return one (1) original of the enclosed AFE and one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

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year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com

Confirmation Services	Package ID: 9171082133393846805773	E-CERTIFIED PRCBP FRENV
	Jack B. Shook, Jr. c/o Nearburg Exploration Company, L.L.C. - Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421	PBP Account #: 35644897 Serial #: 3132785 SEP 07 2010 3:37P

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Jack B. Shook, Jr.
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent
☐ Addressee

B. Received by (Printed Name) L. Fiesela C. Date of Delivery 9/9

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

Well Proposal
September 7, 2010

2. Article Number
(Transfer from service label)

91 7108 2133 3938 4680 5773



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this _____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.

Cimarex Energy Co.

600 N. Marienfeld St.

Suite 600

Midland, Texas 79701

PHONE 432.571.7800



September 7, 2010

Joseph M. Giard
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No. 91 7108 2133 3938 4680 5537

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

The intended surface hole location for the well is approximately 330 feet FNL and 660 feet FEL and the intended bottom hole location is approximately 330 feet FSL, 660 feet FEL. The well is proposed to be drilled vertically to a depth of approximately 11,150 feet to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 15,750 feet from surface to terminus.

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year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com

Confirmation Services	Package ID: 91 71082133393846805537	E-CERTIFIED
	Joseph M. Giard	PRCBP FREN
	c/o Nearburg Exploration Company, L.L.C. —	PBP Account #: 35644897
	Attn: Terry Gant —	Serial #: 3132785
	3300 North "A" Street —	SEP 07 2010 3:37P
	Building 2, Suite 120 —	
	Midland, Texas —	

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Joseph M. Giard
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

2. Article Number
(Transfer from service label)

91 7108 2133 3938 4680 5537

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent
☐ Addressee

B. Received by (Printed Name) L. Fieselle C. Date of Delivery 9/9

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

Well Proposal
September 7, 2010



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this _____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.

Cimarex Energy Co.



600 N. Marienfeld St.

Suite 600

Midland, Texas 79701

PHONE 432.571.7800



September 7, 2010

Mark Nearburg
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No. 91 7108 2133 3938 4680 5605

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

The intended surface hole location for the well is approximately 330 feet FNL and 660 feet FEL and the intended bottom hole location is approximately 330 feet FSL, 660 feet FEL. The well is proposed to be drilled vertically to a depth of approximately 11,150 feet to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 15,750 feet from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Lynch 23 Federal #1H Well. If you intend to participate, please approve and return one (1) original of the enclosed AFE and one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

In the event you do not wish to participate in drilling the proposed well, Cimarex Energy Co. will consider acquiring your interest through a Term Assignment for \$400 per net mineral acre for a two (2)



year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com

Confirmation Services	Package ID: 9171082133393846805605	E-CERTIFIED
	Mark Nearburg	PRCBP FREN
	c/o Nearburg Exploration Company, L.L.C.	PBP Account #: 35644897
	Attn: Terry Gant	Serial #: 3132785
	3300 North "A" Street	SEP 07 2010 3:37P
	Building 2, Suite 120	
	Midland, Texas 79706-5421	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none">Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.Print your name and address on the reverse that we can return the card to you.Attach this card to the back of the mailpiece, or on the front if space permits.	<p>A. Signature </p> <p>B. Received by (Printed Name) L. Fiesela</p> <p>C. Date of Delivery 9/9</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
1. Article Addressed to: Mark Nearburg c/o Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79706-5421	3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.
	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes

Well Proposal
September 7, 2010

2. Article Number
(Transfer from service label) 91 7108 2133 3938 4680 5605



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this _____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.

Cimarex Energy Co.

600 N. Marienfeld St.

Suite 600

Midland, Texas 79701

PHONE 432.571.7800



September 7, 2010

Harold S. Myers Trust
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No.91 7108 2133 3938 4680 5681

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

The intended surface hole location for the well is approximately 330 feet FNL and 660 feet FEL and the intended bottom hole location is approximately 330 feet FSL, 660 feet FEL. The well is proposed to be drilled vertically to a depth of approximately 11,150 feet to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 15,750 feet from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Lynch 23 Federal #1H Well. If you intend to participate, please approve and return one (1) original of the enclosed AFE and one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

In the event you do not wish to participate in drilling the proposed well, Cimarex Energy Co. will consider acquiring your interest through a Term Assignment for \$400 per net mineral acre for a two (2)



year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com

Package ID: 91 710821 33393846805681		E-CERTIFIED PRCBP FREN
Harold S. Myers Trust c/o Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421		PBP Account #: 35644897 Serial #: 3132785 SEP 07 2010 3:42P

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<p>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p><input checked="" type="checkbox"/> Print your name and address on the reverse so that we can return the card to you.</p> <p><input checked="" type="checkbox"/> Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p>Harold S. Myers Trust c/o Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421</p> <p>2. Article Number (Transfer from service label)</p>	<p>A. Signature </p> <p>B. Received by (Printed Name) L. Fiesela</p> <p>C. Date of Delivery 9/9</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>

Well Proposal
September 7, 2010



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this _____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.

Cimarex Energy Co.

600 N. Marienfeld St.

Suite 600

Midland, Texas 79701

PHONE 432.571.7800



September 7, 2010

Menpart Associates
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No. 91 7108 2133 3938 4680 5797

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

The intended surface hole location for the well is approximately 330 feet FNL and 660 feet FEL and the intended bottom hole location is approximately 330 feet FSL, 660 feet FEL. The well is proposed to be drilled vertically to a depth of approximately 11,150 feet to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 15,750 feet from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Lynch 23 Federal #1H Well. If you intend to participate, please approve and return one (1) original of the enclosed AFE and one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

In the event you do not wish to participate in drilling the proposed well, Cimarex Energy Co. will consider acquiring your interest through a Term Assignment for \$400 per net mineral acre for a two (2)



year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com

Confirmation Services	Package ID: 9171082133393846805797	E-CERTIFIED
	Menpart Associates	PRCBP FREN
	c/o Nearburg Exploration Company, L.L.C.	
	Attn: Terry Gant	PBP Account #: 35644897
	3300 North "A" Street	Serial #: 3132785
	Building 2, Suite 120	SEP 07 2010 3:38P
	Midland, Texas 79705-5421	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none">Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.Print your name and address on the reverse so that we can return the card to you.Attach this card to the back of the mailpiece, or on the front if space permits.	A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee
	B. Received by (Printed Name) L. Fiesela
	C. Date of Delivery 9/9
	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No
1. Article Addressed to: Menpart Associates c/o Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421	3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.
	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes

Well Proposal
September 7, 2010

2. Article Number
(Transfer from service label)

91 7108 2133 3938 4680 5797

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this _____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.



**ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM**

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this _____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.

Cimarex Energy Co.

600 N. Marienfeld St.

Suite 600

Midland, Texas 79701

PHONE 432.571.7800



September 7, 2010

Burl L. Reynolds
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No. 91 7108 2133 3938 4680 5445

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

The intended surface hole location for the well is approximately 330 feet FNL and 660 feet FEL and the intended bottom hole location is approximately 330 feet FSL, 660 feet FEL. The well is proposed to be drilled vertically to a depth of approximately 11,150 feet to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 15,750 feet from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Lynch 23 Federal #1H Well. If you intend to participate, please approve and return one (1) original of the enclosed AFE and one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

In the event you do not wish to participate in drilling the proposed well, Cimarex Energy Co. will consider acquiring your interest through a Term Assignment for \$400 per net mineral acre for a two (2)



year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com

Confirmation Services	Package ID: 9171082133393846805445	E-CERTIFIED
		PRCBP FREN
	Burl L. Reynolds	
	c/o Nearburg Exploration Company, L.L.C.	PBP Account #: 35644897
	Attn: Terry Gant	Serial #: 3132785
	3300 North "A" Street	SEP 07 2010 3:38P
	Building 2, Suite 120	
	Midland, Texas 79705-5421	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none">■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.■ Print your name and address on the reverse so that we can return the card to you.■ Attach this card to the back of the mailpiece, or on the front if space permits.		<p>A. Signature </p> <p>X <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <u>L. Fiesela</u></p> <p>C. Date of Delivery <u>9/9</u></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p>	
1. Article Addressed to: Burl L. Reynolds c/o Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421		3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
2. Article Number (Transfer from service label)		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
		91 7108 2133 3938 4680 5445	

Well Proposal
September 7, 2010



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this _____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.

Cimarex Energy Co.

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



September 7, 2010

LJS Resources, LLC
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No. 91 7108 2133 3938 4680 5544

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

The intended surface hole location for the well is approximately 330 feet FNL and 660 feet FEL and the intended bottom hole location is approximately 330 feet FSL, 660 feet FEL. The well is proposed to be drilled vertically to a depth of approximately 11,150 feet to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 15,750 feet from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Lynch 23 Federal #1H Well. If you intend to participate, please approve and return one (1) original of the enclosed AFE and one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

In the event you do not wish to participate in drilling the proposed well, Cimarex Energy Co. will consider acquiring your interest through a Term Assignment for \$400 per net mineral acre for a two (2)




year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com

Confirmation Services	Package ID: 9171082133393846805544	E-CERTIFIED
	LJS Resources, LLC	PRCBP FRENV
	c/o Nearburg Exploration Company, L.L.C.	PBP Account #: 35644897
	Attn: Terry Gant	Serial #: 3132785
	3300 North "A" Street	SEP 07 2010 3:37P
	Building 2, Suite 120	
	Midland, Texas 79705-6421	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none">■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.■ Print your name and address on the reverse so that we can return the card to you.■ Attach this card to the back of the mailpiece, or on the front if space permits.	<p>A. Signature  <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <u>Terry Gant</u> C. Date of Delivery <u>9/9</u></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:</p>
1. Article Addressed to: LJS Resources, LLC c/o Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-6421	3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.
2. Article Number (Transfer from service label)	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes

Well Proposal
September 7, 2010

91 7108 2133 3938 4680 5544



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this _____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.

Cimarex Energy Co.

600 N. Marienfeld St.

Suite 600

Midland, Texas 79701

PHONE 432.571.7800



September 7, 2010

C. W. Paine Co.
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No. 91 7108 2133 3938 4680 5476

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

The intended surface hole location for the well is approximately 330 feet FNL and 660 feet FEL and the intended bottom hole location is approximately 330 feet FSL, 660 feet FEL. The well is proposed to be drilled vertically to a depth of approximately 11,150 feet to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 15,750 feet from surface to terminus.

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Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Lynch 23 Federal #1H Well. If you intend to participate, please approve and return one (1) original of the enclosed AFE and one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

In the event you do not wish to participate in drilling the proposed well, Cimarex Energy Co. will consider acquiring your interest through a Term Assignment for \$400 per net mineral acre for a two (2)



year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com

Confirmation Services	Package ID: 9171082133393846805476	E-CERTIFIED
		PRCBP FREN
	C. W. Paine Co.	
	c/o Nearburg Exploration Company, L.L.C. —	PBP Account #: 35644897
	Attn: Terry Gant	Serial #: 3132785
	3300 North "A" Street	SEP 07 2010 3:37P
	Building 2, Suite 120	
	Midland, Texas 79705-5421	

BEFORE: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.	A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee
1. Article Addressed to: C. W. Paine Co. c/o Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421	B. Received by (Printed Name) T. Gant C. Date of Delivery 9/9
	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No
	3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.
	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes
2. Article Number (Transfer from service label)	91 7108 2133 3938 4680 5476

Well Proposal
September 7, 2010



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this _____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.

Cimarex Energy Co.

600 N. Marienfeld St.

Suite 600

Midland, Texas 79701

PHONE 432.571.7800



September 7, 2010

Anna A. Reischman
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No. 91 7108 2133 3938 4680 5834

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

The intended surface hole location for the well is approximately 330 feet FNL and 660 feet FEL and the intended bottom hole location is approximately 330 feet FSL, 660 feet FEL. The well is proposed to be drilled vertically to a depth of approximately 11,150 feet to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 15,750 feet from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Lynch 23 Federal #1H Well. If you intend to participate, please approve and return one (1) original of the enclosed AFE and one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

In the event you do not wish to participate in drilling the proposed well, Cimarex Energy Co. will consider acquiring your interest through a Term Assignment for \$400 per net mineral acre for a two (2)



year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

A handwritten signature in black ink, appearing to read "Steve Burke", written in a cursive style.

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this ____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.

Cimarex Energy Co.

600 N. Marienfeld St.

Suite 600

Midland, Texas 79701

PHONE 432.571.7800



September 7, 2010

Tritex Petroleum Co.
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No.91 7108 2133 3938 4680 5841

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

The intended surface hole location for the well is approximately 330 feet FNL and 660 feet FEL and the intended bottom hole location is approximately 330 feet FSL, 660 feet FEL. The well is proposed to be drilled vertically to a depth of approximately 11,150 feet to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 15,750 feet from surface to terminus.

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Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Lynch 23 Federal #1H Well. If you intend to participate, please approve and return one (1) original of the enclosed AFE and one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

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year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com

Package ID: 9171082133393846805841	E-CERTIFIED PRCBP FREN
Tritex Petroleum Co. c/o Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421	PBP Account #: 35644897 Serial #: 3132785 SEP 07 2010 3:42P

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY						
<ul style="list-style-type: none">Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.Print your name and address on the reverse so that we can return the card to you.Attach this card to the back of the mailpiece, or on the front if space permits.	<table border="1"><tr><td>A. Signature X <i>L. Fiesela</i></td><td><input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</td></tr><tr><td>B. Received by (Printed Name) <i>L. Fiesela</i></td><td>C. Date of Delivery <i>9/9</i></td></tr><tr><td colspan="2">D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</td></tr></table>	A. Signature X <i>L. Fiesela</i>	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee	B. Received by (Printed Name) <i>L. Fiesela</i>	C. Date of Delivery <i>9/9</i>	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
A. Signature X <i>L. Fiesela</i>	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee						
B. Received by (Printed Name) <i>L. Fiesela</i>	C. Date of Delivery <i>9/9</i>						
D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No							
1. Article Addressed to: Tritex Petroleum Co. c/o Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421	3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.						
	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes						

Well Proposal
September 7, 2010

2. Article Number
(Transfer from service label)

91 7108 2133 3938 4680 5841



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this _____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.

Cimarex Energy Co.

600 N. Marienfeld St.

Suite 600

Midland, Texas 79701

PHONE 432.571.7800



September 7, 2010

Neoka Group 1983 Ltd.
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No. 91 7108 2133 3938 4680 5612

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

The intended surface hole location for the well is approximately 330 feet FNL and 660 feet FEL and the intended bottom hole location is approximately 330 feet FSL, 660 feet FEL. The well is proposed to be drilled vertically to a depth of approximately 11,150 feet to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 15,750 feet from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Lynch 23 Federal #1H Well. If you intend to participate, please approve and return one (1) original of the enclosed AFE and one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

In the event you do not wish to participate in drilling the proposed well, Cimarex Energy Co. will consider acquiring your interest through a Term Assignment for \$400 per net mineral acre for a two (2)



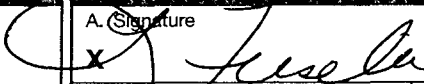
year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com

Confirmation	Package ID: 9171082133393846805612	E-CERTIFIED
		PRCBP FRENW
	Neoka Group 1983 Ltd. c/o Nearburg Exploration Company, L.L.C.	PBP Account #: 35644897
	Attn: Terry Gant	Serial #: 3132785
	3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421	SEP 07 2010 3:42P

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none">Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.Print your name and address on the reverse so that we can return the card to you.Attach this card to the back of the mailpiece, or on the front if space permits.	<p>A. Signature  <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <u>L. Fiesela</u> C. Date of Delivery <u>9/9</u></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
1. Article Addressed to: Neoka Group 1983 Ltd. c/o Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421	3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.
2. Article Number (Transfer from service label)	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes

91 7108 2133 3938 4680 5612

Well Proposal
September 7, 2010

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this _____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.

Cimarex Energy Co.

600 N. Marienfeld St.

Suite 600

Midland, Texas 79701

PHONE 432.571.7800



September 7, 2010

Estate of L. J. Reischman
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No.91 7108 2133 3938 4680 5407

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

The intended surface hole location for the well is approximately 330 feet FNL and 660 feet FEL and the intended bottom hole location is approximately 330 feet FSL, 660 feet FEL. The well is proposed to be drilled vertically to a depth of approximately 11,150 feet to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 15,750 feet from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Lynch 23 Federal #1H Well. If you intend to participate, please approve and return one (1) original of the enclosed AFE and one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

In the event you do not wish to participate in drilling the proposed well, Cimarex Energy Co. will consider acquiring your interest through a Term Assignment for \$400 per net mineral acre for a two (2)



year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com

Confirmation Services	Package ID: 01710821333393846805407	E-CERTIFIED
	Estate of L. J. Reischman	PRCBP FREN
	c/o Nearburg Exploration Company, L.L.C.	
	Attn: Terry Gant	PBP Account #: 35644897
	3300 North "A" Street	Serial #: 3132785
	Building 2, Suite 120	SEP 07 2010 3:42P
	Midland, Texas 79705-5421	

UNDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.	A. Signature
	<input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee
	B. Received by (Printed Name) L. J. Reischman
	C. Date of Delivery 9/9
1. Article Addressed to: Estate of L. J. Reischman c/o Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No
	3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.
	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes

Well Proposal
September 7, 2010

2. Article Number
(Transfer from service label) 91 7108 2133 3938 4680 5407



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this _____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.

Cimarex Energy Co.

600 N. Marienfeld St.

Suite 600

Midland, Texas 79701

PHONE 432.571.7800



September 7, 2010

Charles Nearburg dba
Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No. 91 7108 2133 3938 4680 5551

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

The intended surface hole location for the well is approximately 330 feet FNL and 660 feet FEL and the intended bottom hole location is approximately 330 feet FSL, 660 feet FEL. The well is proposed to be drilled vertically to a depth of approximately 11,150 feet to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 15,750 feet from surface to terminus.

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year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com

Confirmation Services	Package ID: 9171082133393846805551	E-CERTIFIED
	Charles Nearburg dba Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421	PRCBP FREN
	PBP Account #: 35644897	Serial #: 3132785
	SEP 07 2010 3:42P	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none">Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.Print your name and address on the reverse so that we can return the card to you.Attach this card to the back of the mailpiece, or on the front if space permits.	A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee
	B. Received by (Printed Name) K Fiesela
	C. Date of Delivery 9/7/10
1. Article Addressed to: Charles Nearburg dba Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No
	3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.
	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes

Well Proposal
September 7, 2010

2. Article Number
(Transfer from service label)

91 7108 2133 3938 4680 5551

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this _____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.

Cimarex Energy Co.

600 N. Marienfeld St.

Suite 600

Midland, Texas 79701

PHONE 432.571.7800



September 7, 2010

Estate of Milton P. Kent
c/o Nearburg Exploration Company, L.L.C.
Attn: Terry Gant
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705-5421

Certified Mail-Return Receipt Requested No. 91 7108 2133 3938 4680 5438

Re: Proposal to Drill
Lynch 23 Federal #2H Well
E/2E/2, Sec.23-T20S-R34E
Lea County, New Mexico

Dear Sir/Madam:

Cimarex Energy Co. hereby proposes the Lynch 23 Federal #2H Well at a legal location in E/2E/2, Sec. 23-T20S-R34E, Lea County, New Mexico.

The intended surface hole location for the well is approximately 330 feet FNL and 660 feet FEL and the intended bottom hole location is approximately 330 feet FSL, 660 feet FEL. The well is proposed to be drilled vertically to a depth of approximately 11,150 feet to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 15,750 feet from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Lynch 23 Federal #1H Well. If you intend to participate, please approve and return one (1) original of the enclosed AFE and one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

In the event you do not wish to participate in drilling the proposed well, Cimarex Energy Co. will consider acquiring your interest through a Term Assignment for \$400 per net mineral acre for a two (2)



year term assignment with 180-day continuous development and delivery of a 75% net revenue interest lease.

Please call the undersigned with any questions or comments.

Respectfully,

Steve Burke, CPL
Contract Landman
Phone: (432) 571-7827
sburke@cimarex.com

Confirmation Services	Package ID: 9171082133393846805438	E-CERTIFIED
		PRCBP FREN
	Estate of Milton P. Kent	
	c/o Nearburg Exploration Company, L.L.C.	PBP Account #: 35644897
	Attn: Terry Gant	Serial #: 3132785
	3300 North "A" Street	SEP 07 2010 3:38P
	Building 2, Suite 120	
	Midland, Texas 79705-5421	



ELECTION TO PARTICIPATE
Lynch 23 Federal No. 2H Well
E/2E/2, Sec. 23-T20S-R34E, Lea Co., NM

_____ Elects **TO** participate in the proposed Lynch 23 Federal No. 2H Well.

_____ Elects **NOT** to participate in the proposed Lynch 23 Federal No. 2H Well.

Dated this _____ day of _____, 2010.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Lynch 23 Federal No. 2H Well, then:

_____ Elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none">■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.■ Print your name and address on the reverse so that we can return the card to you.■ Attach this card to the back of the mailpiece, or on the front if space permits.	<p>A. Signature: <u><i>[Signature]</i></u> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name): <u><i>L. Ficseler</i></u></p> <p>C. Date of Delivery: <u><i>9/9</i></u></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below: _____</p>
<p>1. Article Addressed to:</p> <p>Estate of Milton P. Kent c/o Nearburg Exploration Company, L.L.C. Attn: Terry Gant 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705-5421</p>	<p>3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number (Transfer from service label)</p>	<p>91 7108 2133 3938 4680 5438</p>

Well Proposal
September 7, 2010