

Authorization For Expenditure

Cimpany Energy Co.				November 30, 2009
Permian Penny Pincher 21 Fed Con	1 (West Luck	en storen komber i	
SHL: Approx 660 FN, 990 FWL of Sec 21, 195-3: BHL: Approx 330 FS & WL, Sec 21, 195-31E	1E !	EddA		Oil x Expl x Gas Prod
Original Estimate I Aevised Estimate O Supplemental Estimate				, 13,500° , Vehiclistic , 9,100°
Drill and complete a NM Bone Spring horizontal	i well. With no pilo	t hole. 10 stages 4500' VS		
		Positivia Cost	i After Casine Po	Complete d World Co.
Intangibles Drilling Costs		Dry Hole Cost \$1,334,990	i After Casing Po	int : Completed Well Cost S1,334,990
Completion Costs		31,334,330	\$959,375	\$959,375
Total Intangible Costs		\$1,334,990	\$959,375	\$2,294,365
Tangibles		C770.000	1 6017.106	61 200 100
Well Equipment	<u>`</u>	\$379,000	S917.196 S96,500	\$1,296,196 \$96,500
leose Equipment Total Tangible Well Cost	T _e sse ²	\$379,000	\$1,013,696	\$1,392,696
dai (algine wes cost				
		\$150,000	: -\$150.000	, S0
oral Yanguni week cost oral Well Cost		\$1,363,990	\$1,323,071	\$3,687,061
Pug and Abandon Cost Oral Well Cost		\$1,363,990	\$1,823,071	\$3,687,061
thug and Abandon Cost oral Well Cost	by COPAS and CEP poperating working in the second of the	\$1,363,990 S guidelines using the Historic street owner, agree to be controlled the premiure to Operator, as to form and the to Operator, as to form and the to Provide the certificate of the provide the certificate of the	\$1,823,071 Price Multiplier. Price Multiplier. System by Operator's well with the system of the system of the system of insurance, as provided the system of insurance, as provided the system of t	\$3,687,061 control insurance procured by Operator at the purchase your own well control FE is returned, if available, but in no event herein, will result in your being covered e timit coverage for well control and
This and Abandon Cost Otal Well Cost Otal We	by COPAS and CEP operating working is and to pay your resurance acceptably you agree that fail vides, among other covering drilling (the trouble free opera e herein granted, is	\$1,363,390 S guidelines using the Historic states of the premiurated share of the premiurate to provide the certificate of the premiuration of the provide the certificate of the provide the provide the certificate of the provide the provide the certificate of the provide the	\$1,823,071 Price Multiplier. Price Multiplier. System by Operator's well must therefore. If you aled a limits, at the time this A of insurance, as provided w.l.) of Combined Single (000,000 (100% W.l.)) dedicating in plans. The acarking interest owner against the combined single of the plans.	\$3,587,061 control insurance procured by Operator at to purchase your own well control FE is returned, if available, but in no event herein, will result in your being covered e timit coverage for well control and actible. tual costs may exceed the estimated costs trees to pay its proportionate share of
Thus and Abandon Cost Total Well Cost Total Well Cost All tubulars, well or lease equipment is priced with the price of	by COPAS and CEP operating working is er and to pay your rounders, among other covering drilling (the covering dr	\$1,363,390 S guidelines using the Historic states of the premiurated share of the premiurate to provide the certificate of the premiuration of the provide the certificate of the provide the provide the certificate of the provide the provide the certificate of the provide the	\$1,823,071 Price Multiplier. Price Multiplier. Price Multiplier. System by Operator's well with the state of insurance, as provided with the state of insurance w	\$3,587,061 control insurance procured by Operator at to purchase your own well control FE is returned, if available, but in no event herein, will result in your being covered e timit coverage for well control and actible. tual costs may exceed the estimated costs trees to pay its proportionate share of
Thus and Abandon Cost Total Well Cost Total Well Cost All tubulars, well or lease equipment is priced with the price of	by COPAS and CEP operating working is er and to pay your mount of the poly out of the poly of the pol	\$1,363,390 S guidelines using the Historic states and states are to be comprorated share of the premium to provide the certificate to Operator, as to form and une to provide the certificate trems, for \$20,000,000 (100) arough completion) with a \$1,000 to the same states are the same s	\$1,823,071 Price Multiplier. Price Multiplier. Price Multiplier. System by Operator's well with the state of insurance, as provided with the state of insurance w	\$3,587,061 control insurance procured by Operator at to purchase your own well control FE is returned, if available, but in no event herein, will result in your being covered e timit coverage for well control and actible. tual costs may exceed the estimated costs trees to pay its proportionate share of
Thus and Abandon Cost Total Well Cost Total Well Cost All tubulars, well or lease equipment is priced with the price of	by COPAS and CEP operating working is a company your nsurance acceptably you agree that fail when the covering drilling (the covering dr	\$1,363,390 S guidelines using the Historic states and states are to be comprorated share of the premium to provide the certificate to Operator, as to form and une to provide the certificate trems, for \$20,000,000 (100) arough completion) with a \$1,000 to the same states are the same s	\$1,823,071 Price Multiplier. Price Multiplier. Price Multiplier. System by Operator's well with the state of insurance, as provided with the state of insurance w	\$3,587,061 control insurance procured by Operator at to purchase your own well control FE is returned, if available, but in no event herein, will result in your being covered e timit coverage for well control and actible. tual costs may exceed the estimated costs trees to pay its proportionate share of
Thus and Abandon Cost Total Well Cost Total Well Cost All tubulars, well or lease equipment is priced with the price of	by COPAS and CEP operating working is a company your nsurance acceptably you agree that fail when the covering drilling (the covering dr	\$1,363,990 S guidelines using the Historic distribution of the Historic distribution of the Historic distribution of the Premium of the premium of the provide the certificate distribution of the Company of the Company of the Company of the State distribution of the Company of the State distribution of the Company of the State distribution of the Company of the Co	\$1,823,071 Price Multiplier. Price Multiplier. Price Multiplier. System by Operator's well with the state of insurance, as provided with the state of insurance w	\$3,587,061 control insurance procured by Operator at to purchase your own well control FE is returned, if available, but in no event herein, will result in your being covered e timit coverage for well control and actible. tual costs may exceed the estimated costs trees to pay its proportionate share of

OCC Case No. 14418

CIMAREX ENERGY Exhibit *4 1/4/2010 2:47 PM



Project Cost Estimate

Lease Name: Penny Pincher 21 Fed Com Well No.: 1H \$30,0001 0102.169 Roads & Location Preparation / Restoration 016.0.00 \$3,000 \$33,000 \$10,000 - 0:00.105 0100.305 Damages \$10,000 \$56,000: 2002.335 \$45,000 Mud / Fluids Disposal Charges \$101,000 1100.133 34 DH Days SIACP Days @ \$388,0001 0100,120 \$57,000 D#0C113 Day Rate Per Day \$445,000 \$5,000 Misc Preparation Cost (mouse hole, rat hole, pads, pile clusters, misc.) 01000.000 \$5,000 Bits 36000...35 \$80,000 3:00.03 1 \$11,000 391,000 Fuel \$2.60 Per Gallen Gallans Per Day 530,000 ciccles \$11,000 DICC.123 \$91,000 \$36,270) occass \$64.375 Water / Completion Fluids Per Day 2000.146 \$100.545 \$29,250 Mud & Additives 2000.245 \$29,250 Per Da Surface Rentals 2000 5.51 \$20,000: 0000346 \$95,000 \$115,000 Downhole Rentals COLLE \$77,970) 0:00.345 \$14 000: \$91,970 Formation Evaluation (DST, Coring including evaluation, G&G Services) 391.30C SO \$850- Days @ 25 Per Day \$25,0003 \$25,000 Mud Logging DICC.LC Open Hale Logging 1105.160 \$25,000 \$25,000! Cementing & Float Equipment 0000.185 \$65,000 202.55 \$20,000 \$35,000 \$5,000! 0,00.130 MDC.;20 \$3.0001 58,000 Tubular Inspections \$9,000/ 0/00/465 2400.195 \$14,000 \$25,000 Casina Crews Fetra Labor, Welding, Etc. \$10,000 0000.179 MACIO \$5,000 \$15,000 Land Transporation (Trucking) 200,209 \$20,0001 200,275 \$4,000 \$24.000° Supervision Per Day 2/20/13/2 \$44,0001 BCC123 \$14,0001 1000,822 Trailer House / Camp / Catering 400 Per Day DIDC_223 \$20,0001 000,255 \$4,000 S24,000 \$2,000 0002,120 Other Misc Expenses DIDCA25 \$7,000 \$9.000 3001Per Day 2107,323 \$12,000 DEC.195 \$3,000 515.000 Overhead 0100.215 Remedial Cementing 900222 SO! \$30,000 MOB/DEMOB S30,000 DID-CLSAC \$114,000(%)\$2 Directional Drilling Services 13 Days @ 7,2001 Fer Day DIDC.343 \$114,000 Dock, Dispatcher, Crane arocusa i 24CC.230 SO Marine & Air Transportation 210-1.475 0100.250 SO iPer Day 38.1.30°C \$24,400 \$24,400; Solids Control | Well Control Equip (Snubbing Svcs.) \$35,100 0100000 GIQ-0.285 \$11,000 \$46,100 \$01 0100.045 Fishing & Sidetrack Operations ŜØ 7: Doys @ 3 DEC.:25 \$35,000 i 3,400! Fer Day \$36,000 Completion Rig Per Doy 530,000 Coil Tubina Doys @ PACC.250 \$30,000 \$8,0001 Completion Logging, Perforating, WL Units, WL Surveys 94CE,200 \$8,000 Stimulotion 0100,210 \$425,0001 \$425,000 Legal / Regulatory / Curative 0100,202 \$13,000 0100.080 \$13,000 \$5,000 \$0.35 Per Foot Well Control Insurance 5/DC.335 \$5,000 5%! of Drilling Intangibles ARCCASS : \$64,000 0100,325 \$25,000 i \$89,000 Contingency Construction For Well Equipment S CWEA.120 \$50,000 550.000 Construction for Lease Equipment 0120,110 SO: DICC.265 Construction For Soles P/L \$0: \$1,334,990 Total Intangible Cost \$959,375 \$2,294,365 Tarrible Well Engineery (1997) 1997 1997 1997 1997 1997 1997 S/Foot Size Casing \$0.001 37/22.150 SO? Drive Pipe 30 40.003 SO SO Conductor Pipe 04068,120 50 Water String 20 620,00 \$110.00 DWS2.135 \$68,000 \$68,000 Surface Casing 13-3/8 2500.00! \$63,901 3605 160 \$160,000 \$160,000 Intermediate Casing 9 5/8 4100.00 533.26| OWES.245 ! \$136,000 \$136,000 Drilling Liner 3WES.245 SO SO i cws3.145 so şo; Orilling Liner 8500.003 \$35.80 001.ASMG \$307,000 \$307,000 Production Casing or Liner \$15.26 4 1/2" 4600.00(044E7-766 \$70,196 \$70,195 Production Tie-Back 127/8" 8400.00 \$7.30 WEALCS \$61,000 S61,000 Subina SWEA-125 \$65,000 \$65,000 N/C Well Equipment Wellnead, Tree, Chokes DWEB.115 \$15,0001 DWEALSO \$18,000 \$33,000 Liner Hanger, Isolation Packer SO! DWEADES! \$145,000 \$145,000 OWEALIST ' \$1,000 \$1,000. Packer, Nigotes \$190,000 \$190,000; Pumping Unit, Engine Lift Equipment (BHP, Rods, Anchors) \$60,000 560,000 Togible Lase coughers and the state of the s 200 0150,135 \$7,500 \$7,500 N/C Lease Equipment Tanks, Tanks Steps, Stairs 0020,120 \$62,000 562,C00 Battery (Heater Treater, Separator, Gas Treating Equipment) 0120,223 \$24,500 \$24,500 How Lines (Line Pipe from wellhead to central facility) OLEO,120 \$2,500 \$2,500 Offshore Production Structure for Facilities QW54.235 \$0 50: Pipeline to Sales 50: \$1,013,696 Total Tangibles \$379,000 \$1,392,696 PRA Costs 2000.295 \$150,000: 3100.275 -\$150,000 50. \$3,687,061 \$1,863,990 \$1,823,071 Total Cost

Τ.