Nudging Out Stick-Slip

David Jones
Cimarex Energy
Forward-looking Statements

This presentation contains projections and other forward-looking statements within the meaning of Section 27A of the U.S. Securities Act of 1933 and Section 21E of the U.S. Securities Exchange Act of 1934. These projections and statements reflect the Company’s current views with respect to future events and financial performance. No assurances can be given, however, that these events will occur or that these projections will be achieved, and actual results could differ materially from those projected as a result of certain factors. A discussion of these factors is included in the Company’s periodic reports filed with the U.S. Securities and Exchange Commission.

Contact:
Karen Acierno
Director – Investor Relations
kacierno@cimarex.com
303-285-4957

Mark Burford
VP – Capital Markets & Planning

Cimarex Energy Co.
1700 Lincoln Street, Suite 3700
Denver, CO 80203
303-295-3995
Unintentional Discovery

Photo Credit - NBC News: http://www.nbcnews.com/id/38870091/ns/technology_and_science-innovation/t/greatest-accidental-inventions-all-time/#.VNjcvvnF9cg
Outline

• Background
• Baseline
• Nudges
• Results and Data
• Conclusion
Typical Cana Well

Landing Point 12,500' TVD
KOP for Lateral, 12° BUR 12000'
Set 20' into Morrow Shale
9 5/8" Casing Shoe 10,000'
TOC Production Casing 9,500'
TOC Intermediate Casing 8,000'
13 3/8" Casing Shoe 1,500'

Lateral drilled with 8-1/2" diameter bit.
Cana Woodford Map
12.25” Bit performance in Golden Wells
12.25” Bit performance in Golden Wells

Psuedo Stick – Slip Index (PSSI) = $\frac{\text{Rotary Torque Variation}}{2 \times \text{Average Rotary Torque}}$

Average Golden PSSI = 41%
12.25” Bit performance in Golden Wells
The Hartz Section
Can We Shorten Our Curve?
First Nudge Test

Average Hartz 7 PSSI = 19%
First Nudge Test

Color by
- Sum(Number 12.25” Bits)
- Sum(ROP Non-Drill Out)

<table>
<thead>
<tr>
<th>Well</th>
<th>Sum(Number 12.25” Bits)</th>
<th>Sum(ROP Non-Drill Out)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Golden Average</td>
<td>4.00</td>
<td>3.50</td>
</tr>
<tr>
<td>Hartz 7</td>
<td>2.00</td>
<td>35.00</td>
</tr>
</tbody>
</table>
Second Nudge Test
Second Nudge Test

Average Phillips 5 PSSI = 24%
What about Total Hole Section Cost?
Wrapping It Up

- $35,000 in 12 ¼” hole savings by drilling nudge
- $50,000 - $100,000 in total savings throughout the life of the well
- Continued testing going forward
  - More two mile laterals: will nudge even be possible from a Torque/Drag standpoint?
  - Are there other ways we can reduce stick-slip?