

The background features a dark, textured image of an oil rig structure. In the top-left corner, there is a close-up of yellow and grey industrial machinery, possibly a pumpjack or valve gear. The overall design is split diagonally from the bottom-left to the top-right, with a dark grey/black area on the left and an orange area on the right.

CIMAREX

Brean Murray
2012 Global Resources
Conference

March 1, 2012

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.



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Corporate Profile

NYSE: XEC

Shares outstanding.....	85.8 MM	Proved reserves ²	2.05 Tcfe
Market cap ¹	\$7.1 B	% Natural gas.....	59%
Long-term debt ²	\$0.4 B	% Proved developed.....	82%
Enterprise value.....	\$7.5 B	R/P Ratio.....	9.5x
Stockholders' equity ²	\$3.1 B	Production ³	601 MMcfe/d
Debt/Cap ²	11%		

Quarterly dividend of \$0.12/share

¹ Using a \$82.78 share price on February 17, 2012

² As of December 31, 2011

³ For the three-months ended December 31, 2011

2011 Highlights

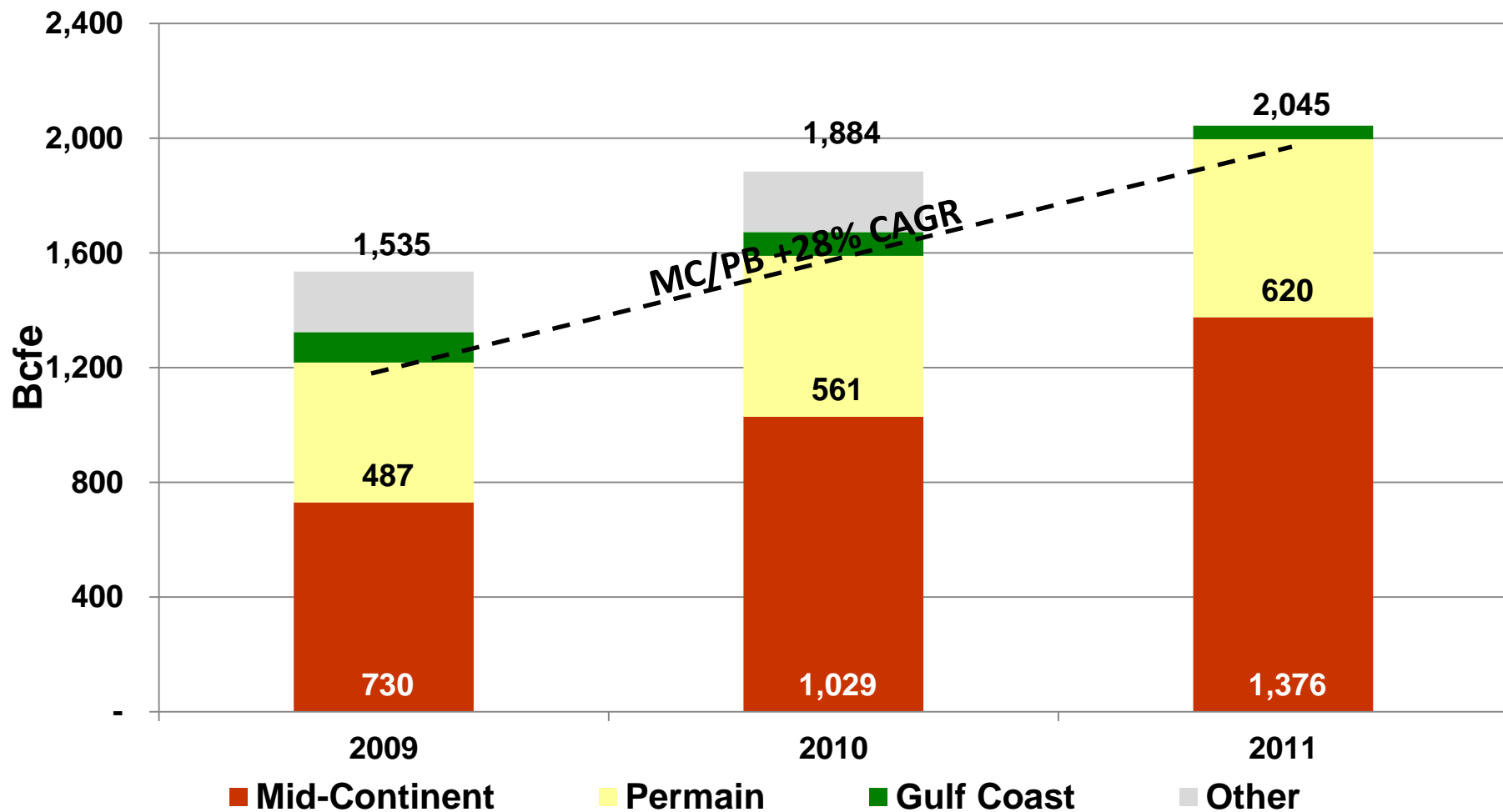
▲ Earnings and Cash Flow

- Net income of \$530 MM or \$6.15 per diluted share
- Cash flow from operating activities of \$1.3 B vs. \$1.1 B in '10
- O&G Sales of \$1.7 B vs. \$1.6 B in '10
 - Higher oil prices (+21%) partially offset by lower gas prices (-10%)

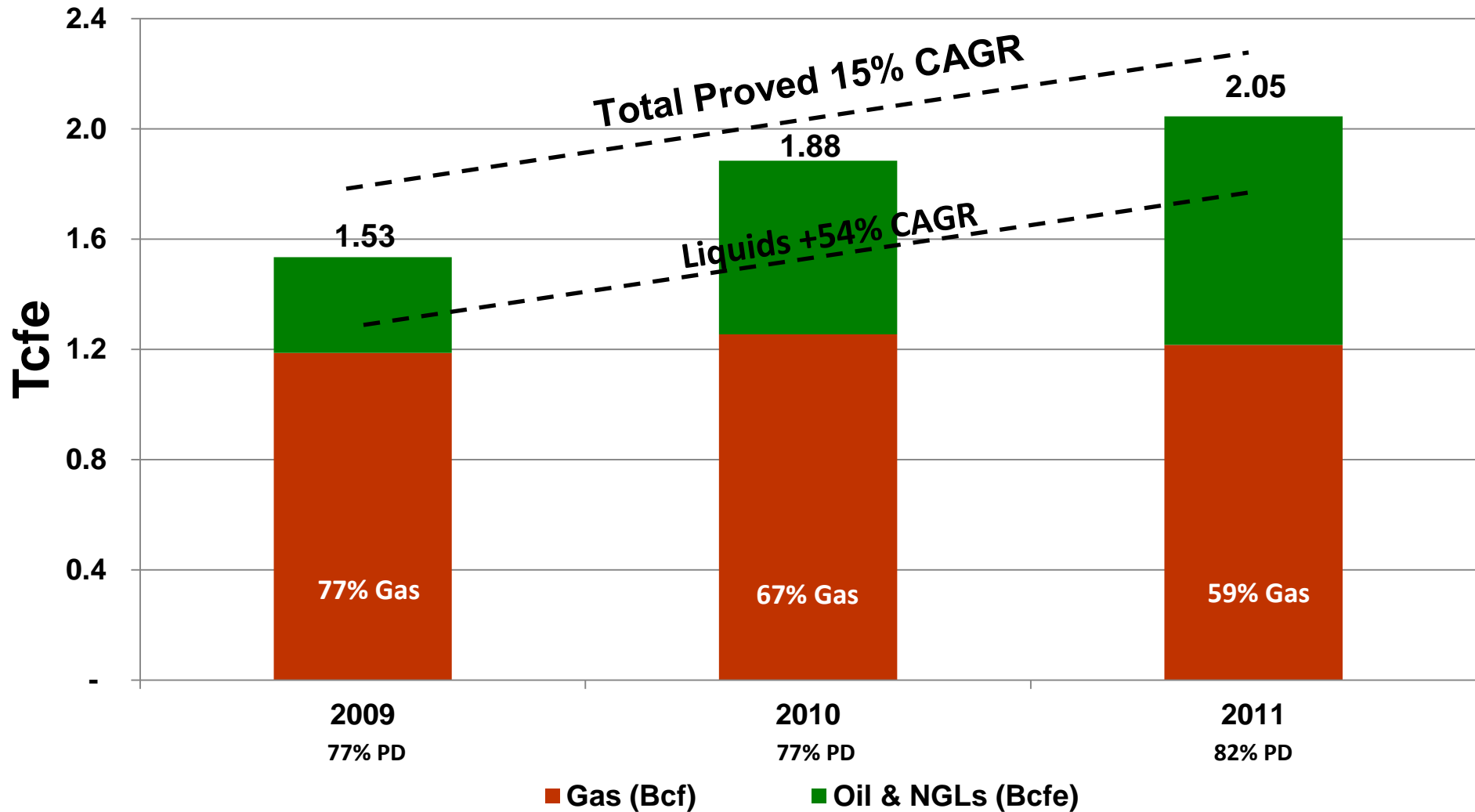
▲ Grew proved reserves to a record 2.05 Tcfe

- Permian and Mid-Continent (PB/MC) proved reserves increased 26% to an all-time high of 2.0 Tcfe
- Added 587 Bcfe from extensions and discoveries (45% liquids / 55% gas)
- Replaced 272% of production

Proved Reserves by Region



Proved Reserves



2011 Accomplishments

▲ Record 2011 PB/MC production of 487 MMcfe/d

- 16% production growth over 2010

▲ Invested \$1.6 B in exploration & development

- Largely funded with cash flow and property sales
- Significant expansion and solid returns in Permian and Cana programs

▲ Balance Sheet

- Ended 2011 with \$405 MM of debt
 - \$350 MM of senior notes due 2017; \$55 MM of bank debt
- YE '11 debt/total cap = 11%
 - Debt/total proved res = \$0.20/Mcfe
 - Debt/EBITDA = 0.3x

Cimarex Strategy

▲ Grow through the drill-bit

▲ Portfolio approach

- Keep a mix of opportunities...gas/oil; low-medium-higher risk projects; seek geologic and geographic diversity

▲ Rate of return based decisions

- Underpin with low/moderate risk/reward projects
- Enhance return with selected higher geologic risk/reward opportunities

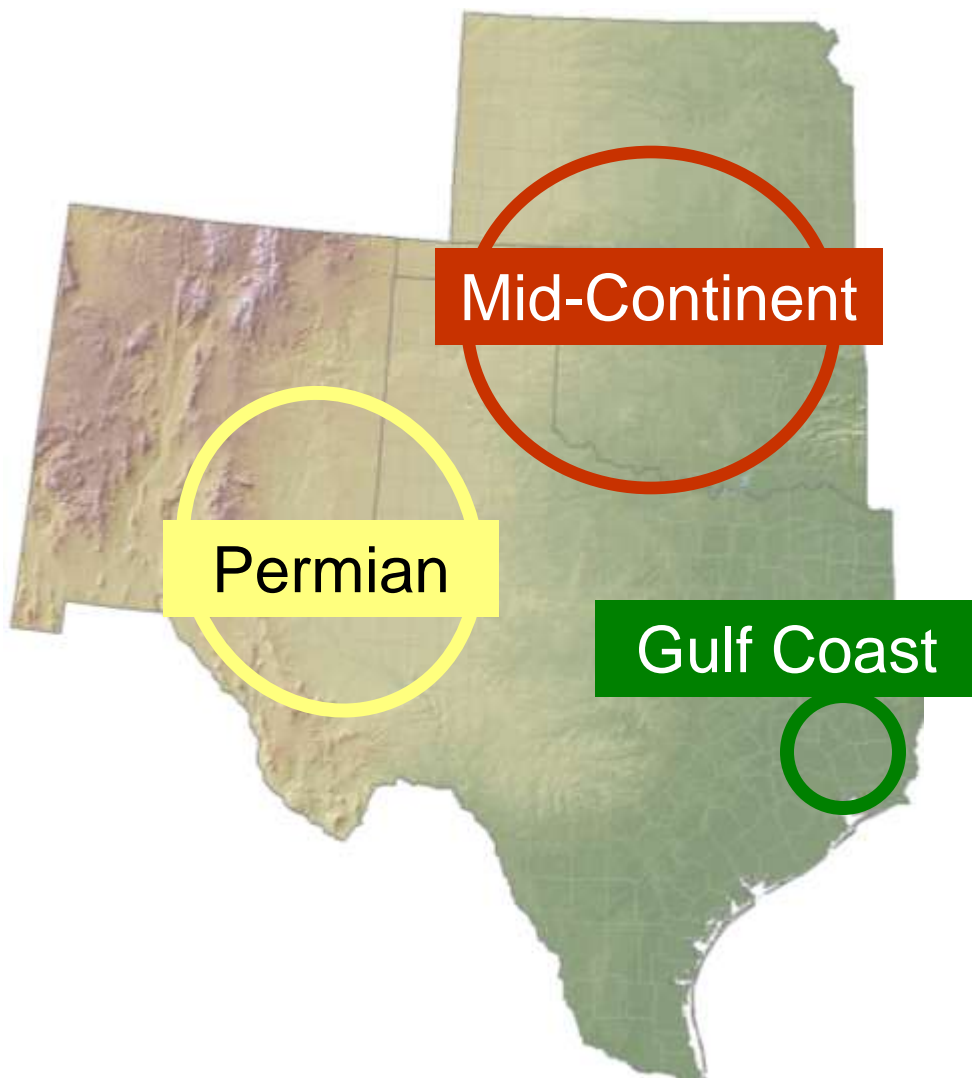
▲ Maintain a strong financial position



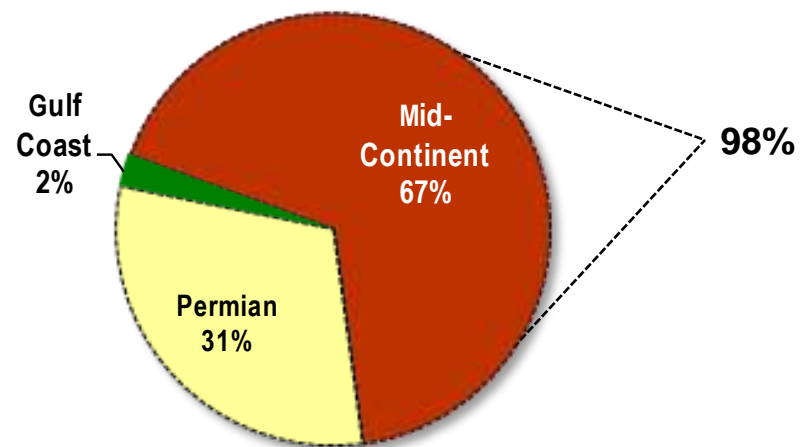
2012 Plan

- ▲ E&D capital of \$1.4-\$1.6 B
- ▲ Essentially all investment in oil and liquids rich plays in the Permian and Mid-Continent
- ▲ Fund investment in excess of cash flow with debt (~\$300-\$500 MM)
- ▲ Credit stats stay strong
- ▲ Production growth 19-25% in PB/MC; total company 4-10%

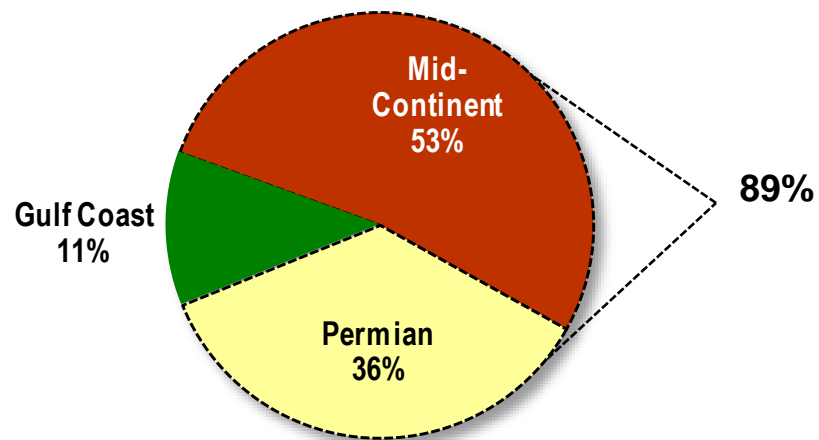
Core Operating Areas



YE 2011 Reserves – 2.05 Tcfe

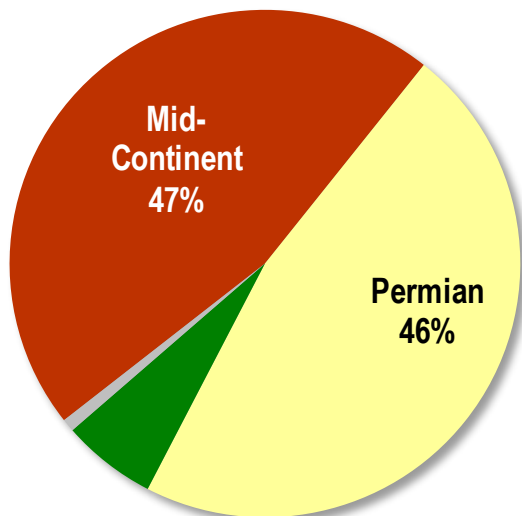


Q4 2011 Prod. 601 MMcfe/d



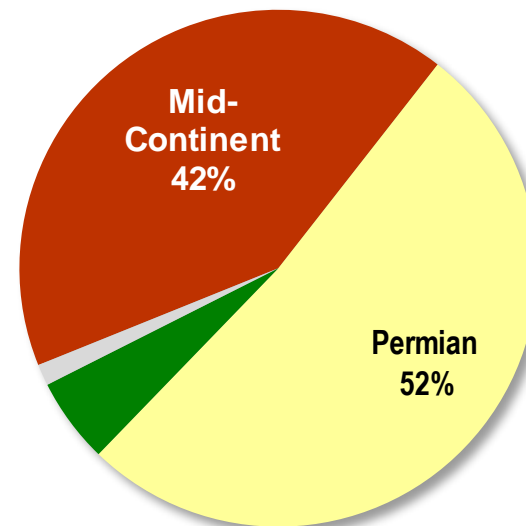
2012 Capital Investment

2011 E&D Capital \$1.58 B



	E&D Capital (\$ MM)	Well Count	
		Gross (Drilled & Completed)	Net
PB	731	140	100
MC	741	180	64
GC/other	108	11	10
	1,580	331	174

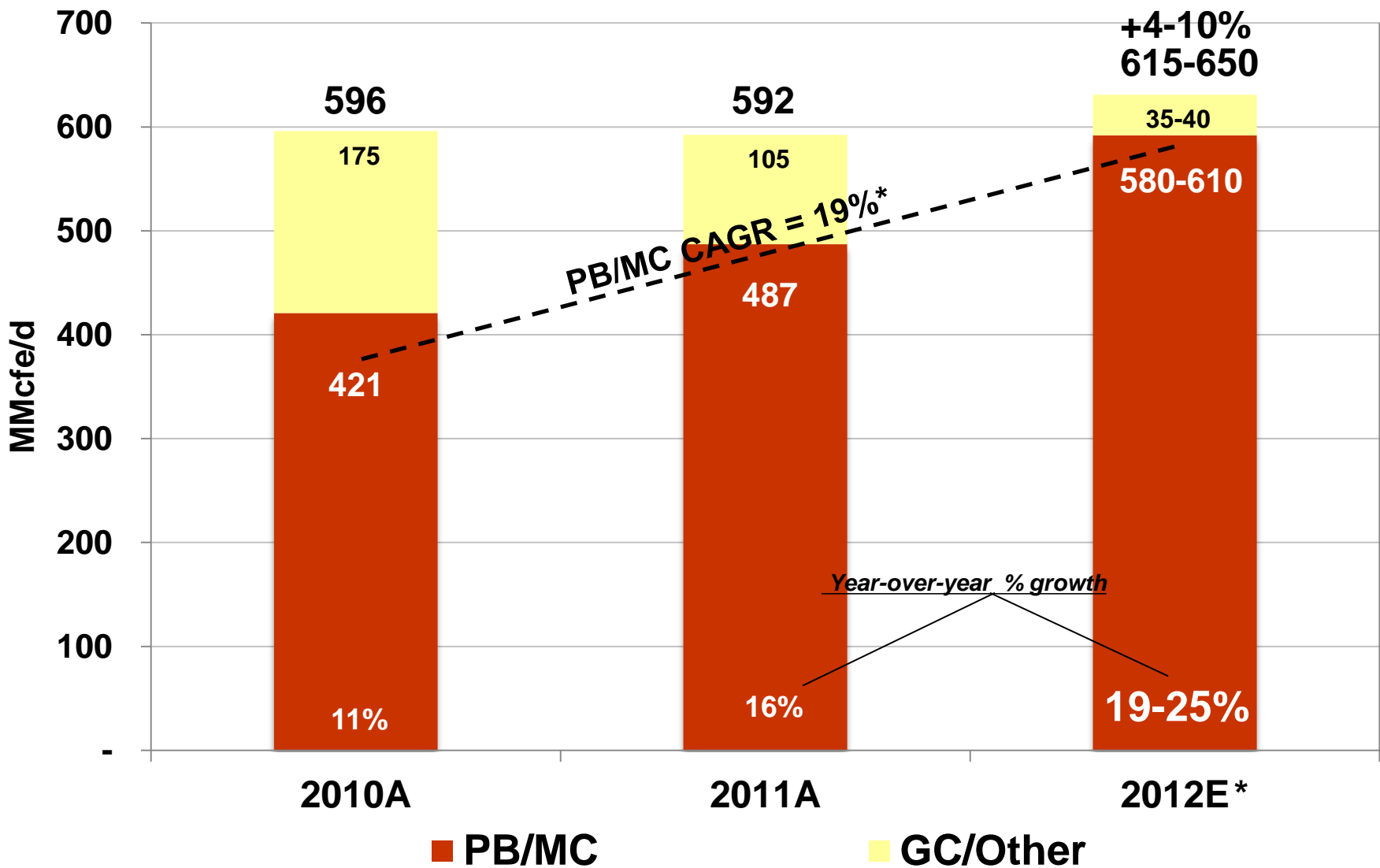
2012E E&D Capital \$1.4-1.6 B



	E&D Capital (\$ MM)	Well Count	
		Gross (Drilled & Completed)	Net
PB	775	150	105
MC	625	160	60
GC/other	100	8	6
	1,500	319	172

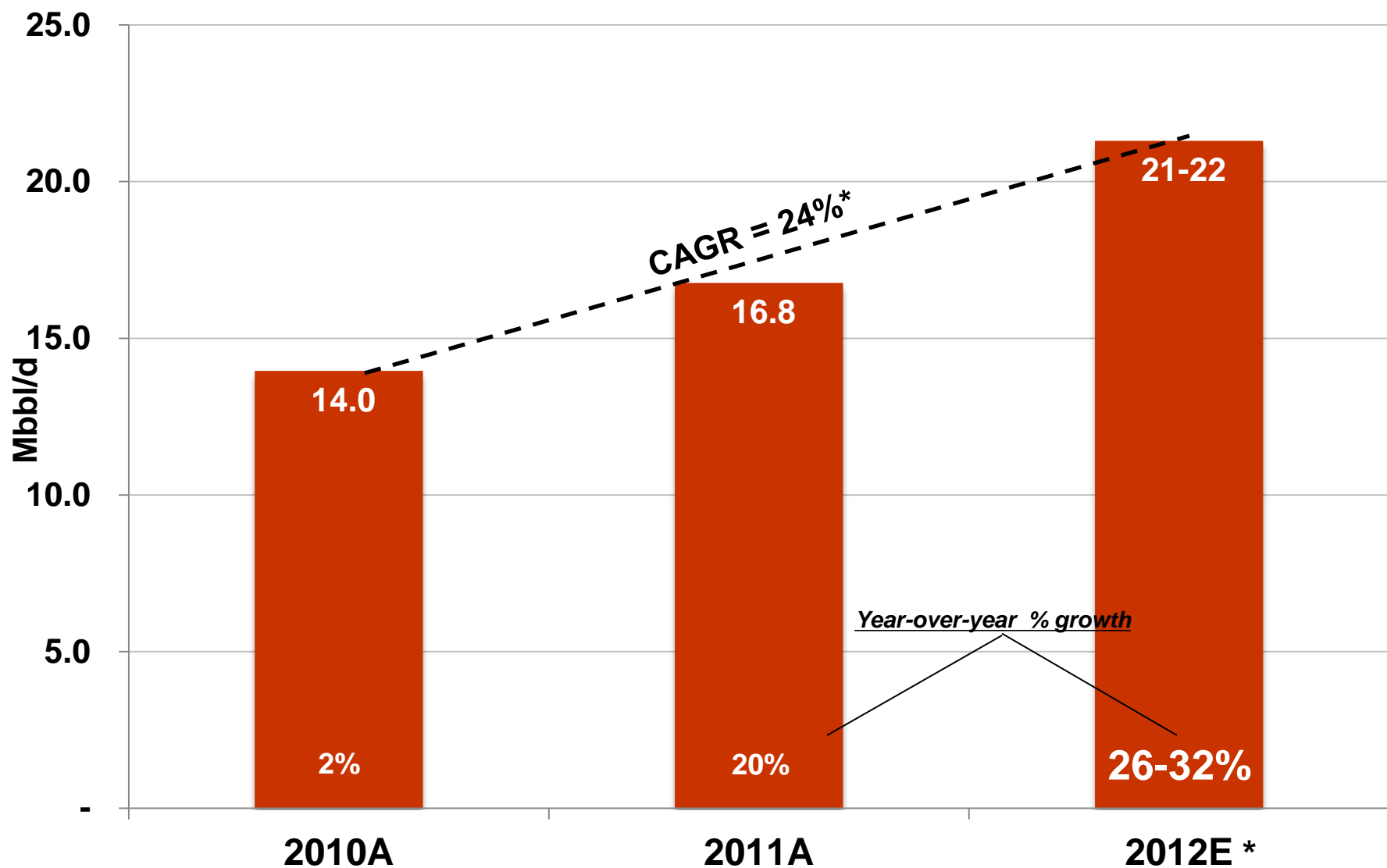
(Mid-Pt. Est.)

Production Growth



*Compound annual growth rate (CAGR) to Mid-point of guidance

Permian Oil Production (Mbbbl/d)



*Compound annual growth rate (CAGR) to Mid-point of guidance

Permian Basin

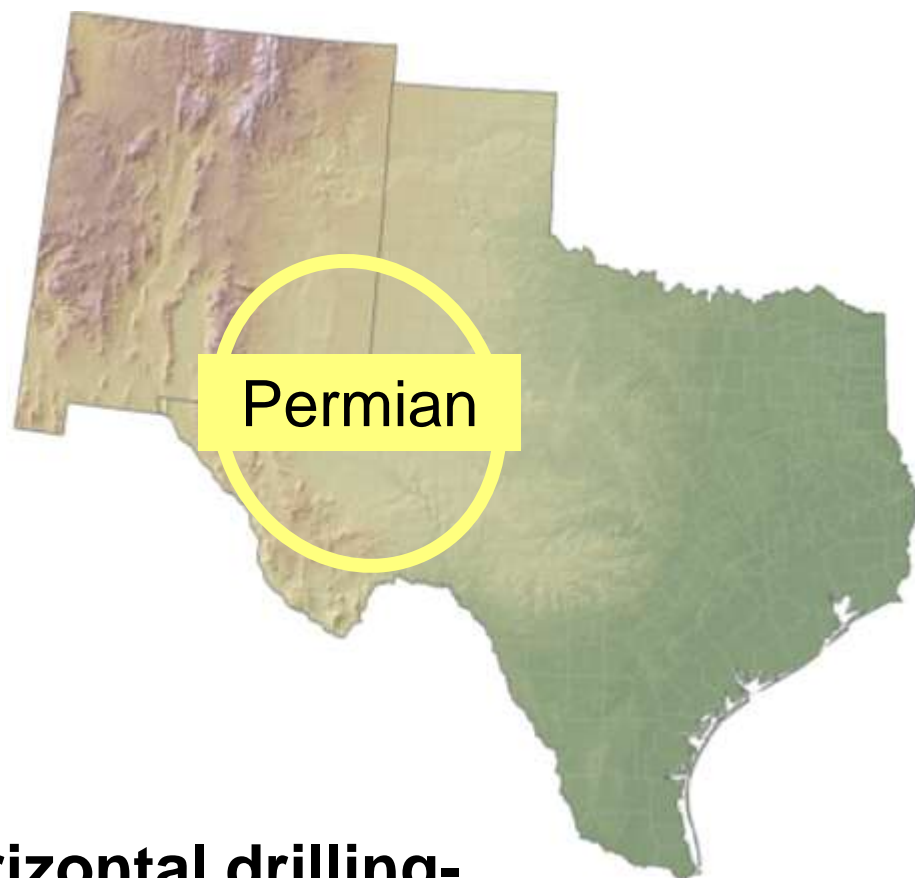
Summary Statistics

Proved reserves (YE 11)	620.4	(Bcfe)
60% liquids; 99% proved developed		
Production (Q4 11)	215.0	(MMcfe/d)
60% liquids		
Net acres (YE 11)	438	(000s)

Capital Investment

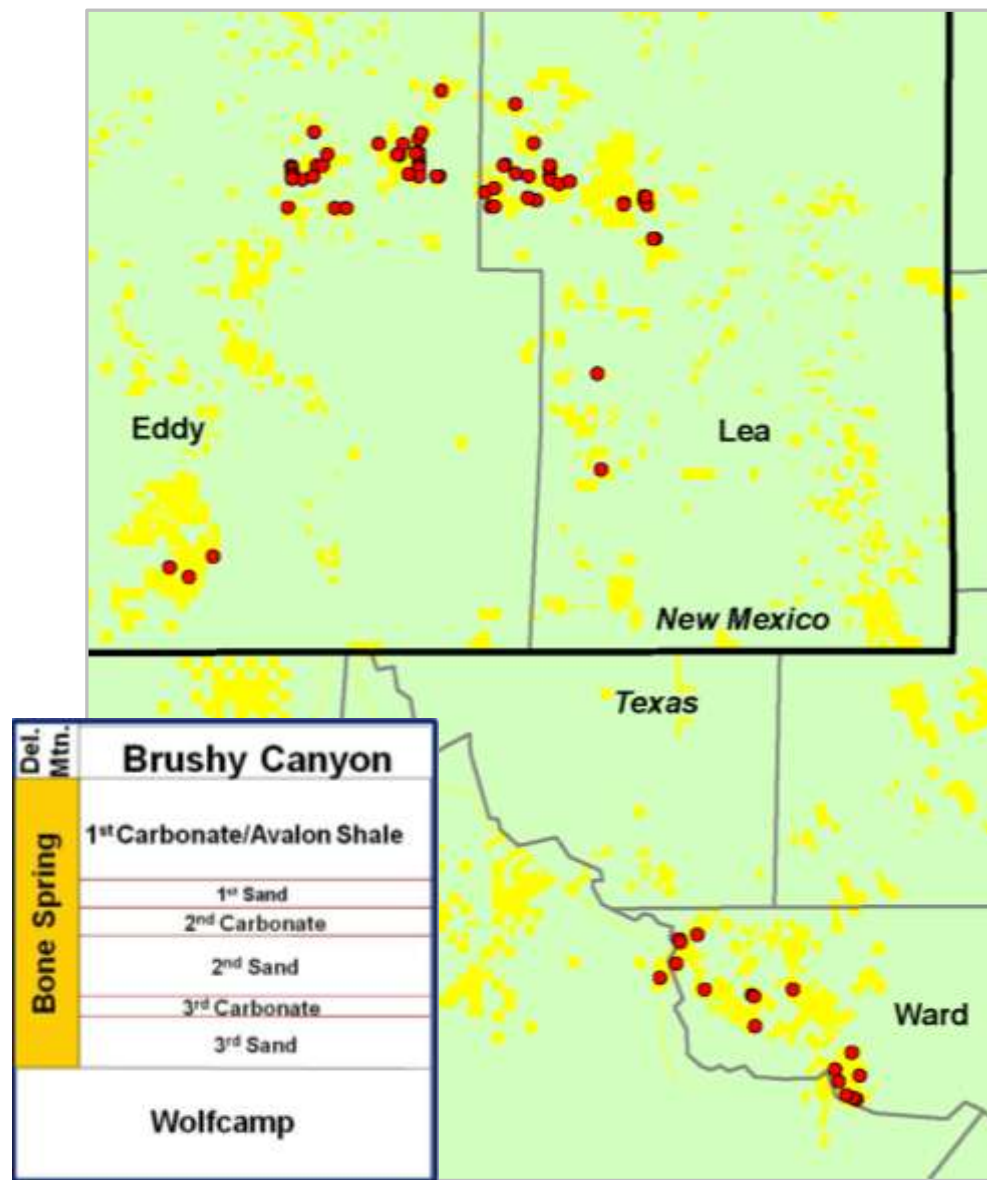
	<u>2012E</u>	<u>2011A</u>
E&D Capital (\$ MM)	\$775	\$731
Wells drilled - gross	150	140
net	105	100

- Multiple Delaware Basin horizontal drilling-based projects – conventional oil and emerging liquids-rich gas



Permian – Bone Spring/Avalon

- In 2011 drilled 80 gross (54 net) Bone Spring wells
 - 63 gross (40 net) in New Mexico
 - 17 gross (14 net) in Texas
- Strong New Mexico 2nd/3rd Bone Spring fourth-quarter 2011 performance: 30-day IPs averaged 597 Boe/d (85% oil)
 - Experimenting with larger fracs
 - Well costs \$5.8-\$6.3 million
- Texas 3rd Bone Spring wells 30-day IPs averaged 730 Boe/d (73% oil)
 - Well costs \$8.0-\$8.5 million
- Encouraging initial results in Lea Cty. Avalon



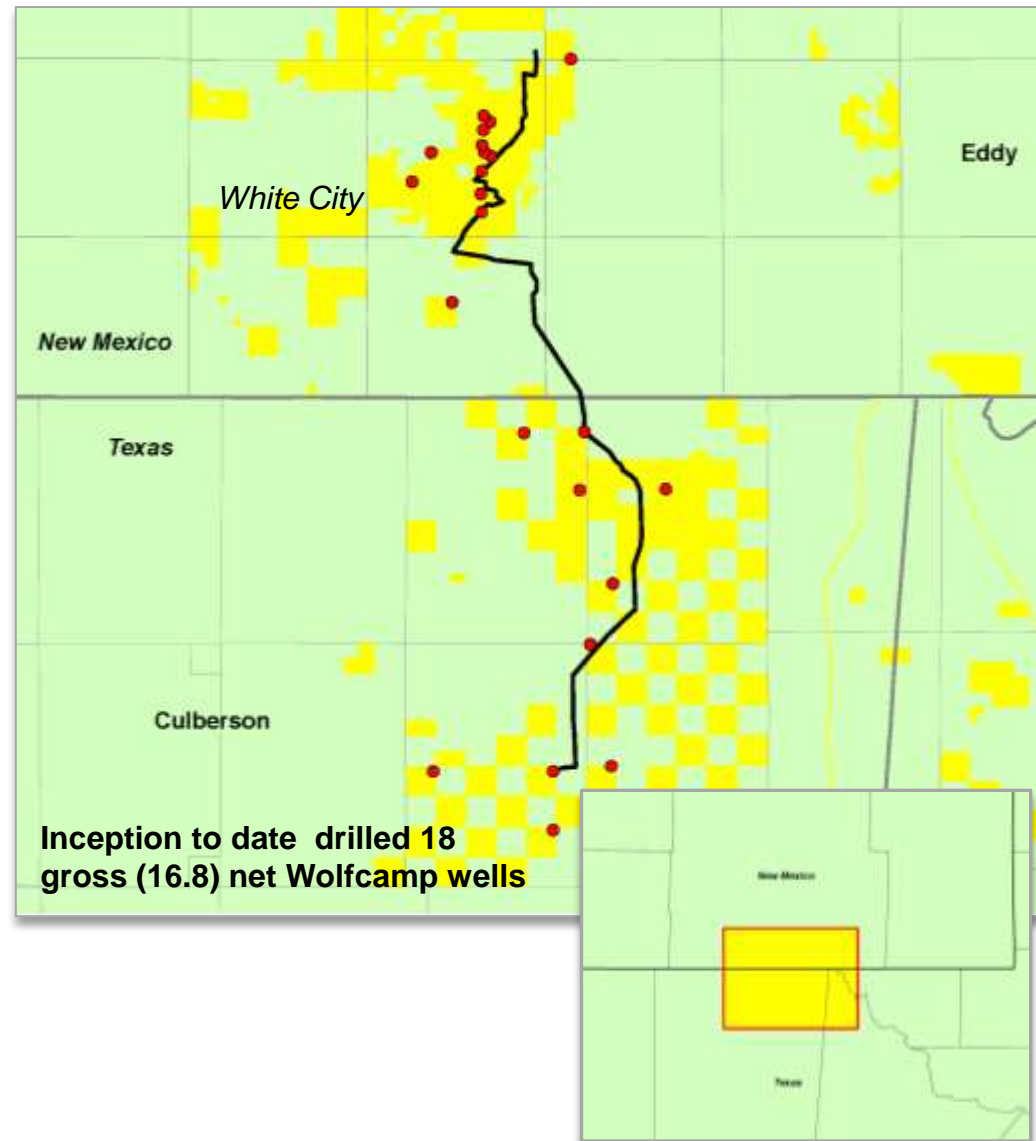
Permian – Bone Spring/Avalon

- **Solid returns and strong well performance in 2nd/3rd Bone Spring**
 - EURs: 400-600 MBoe
- **Active 2012 Bone Spring drilling programs:**
 - New Mexico 4-7 rigs
 - Texas Bone Spring 2-4 rigs
 - Avalon 1-2 rig
- **Multi-year inventory of future drilling**



Permian Basin – Horizontal Wolfcamp

- White City/northern Culberson Cty.
 - Strong and improving results
 - Over 80,000 net acres
 - Significant resource potential
- 2012 expect to drill 18-20 wells; 2-3 rigs
- Fourth-quarter 2011 completed 4 gross (3.4) net Wolfcamp wells with highest liquids yield to date
 - First 30-day average production: 6.8 MMcfe/d (38% gas, 31% NGLs and 31% oil)
- CWC: \$8.0-\$8.5 MM; lateral length ~4,000'; 8-10k' deep



Mid-Continent Region

Summary Statistics

Proved reserves (YE 11)	1,375.7	(Bcfe)
32% liquids; 72% proved developed		
Production (Q4 11)	316.1	(MMcfe/d)
31% liquids		
Net acres (YE 11)	729	(000s)

Capital Investment

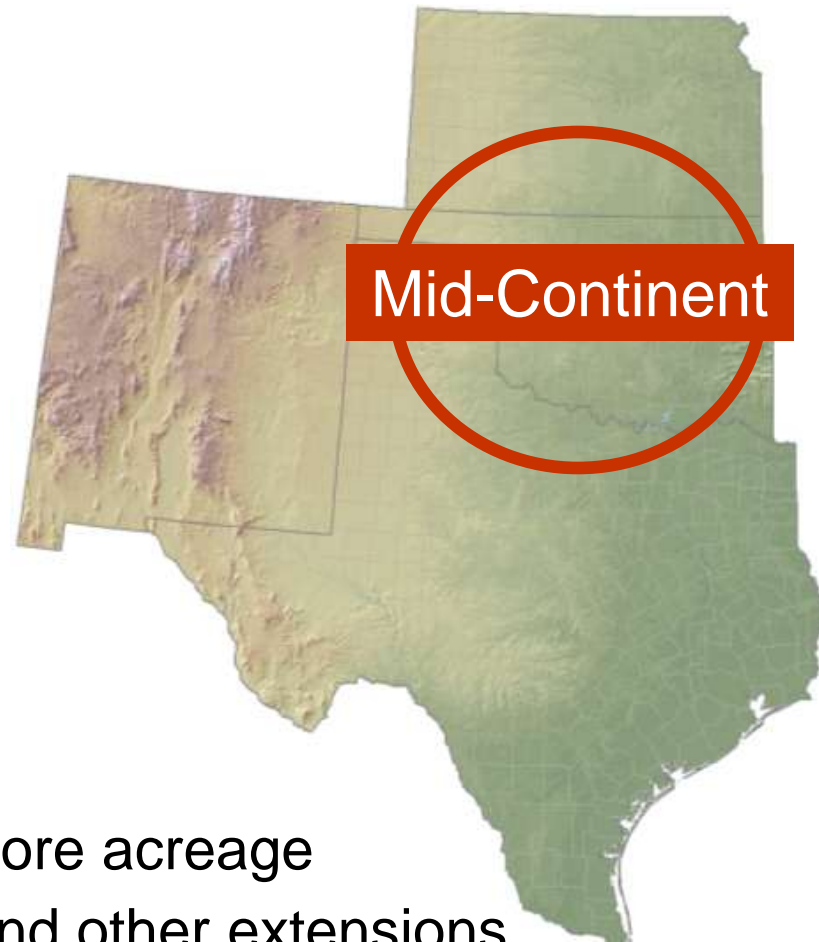
	<u>2012E</u>	<u>2011A</u>
E&D Capital (\$ MM)	\$625	\$741
Wells drilled - gross	160	180
net	60	64

▲ Cana-Woodford

- Commencing infill development of Core acreage
- Ongoing evaluation of Cana Deep and other extensions

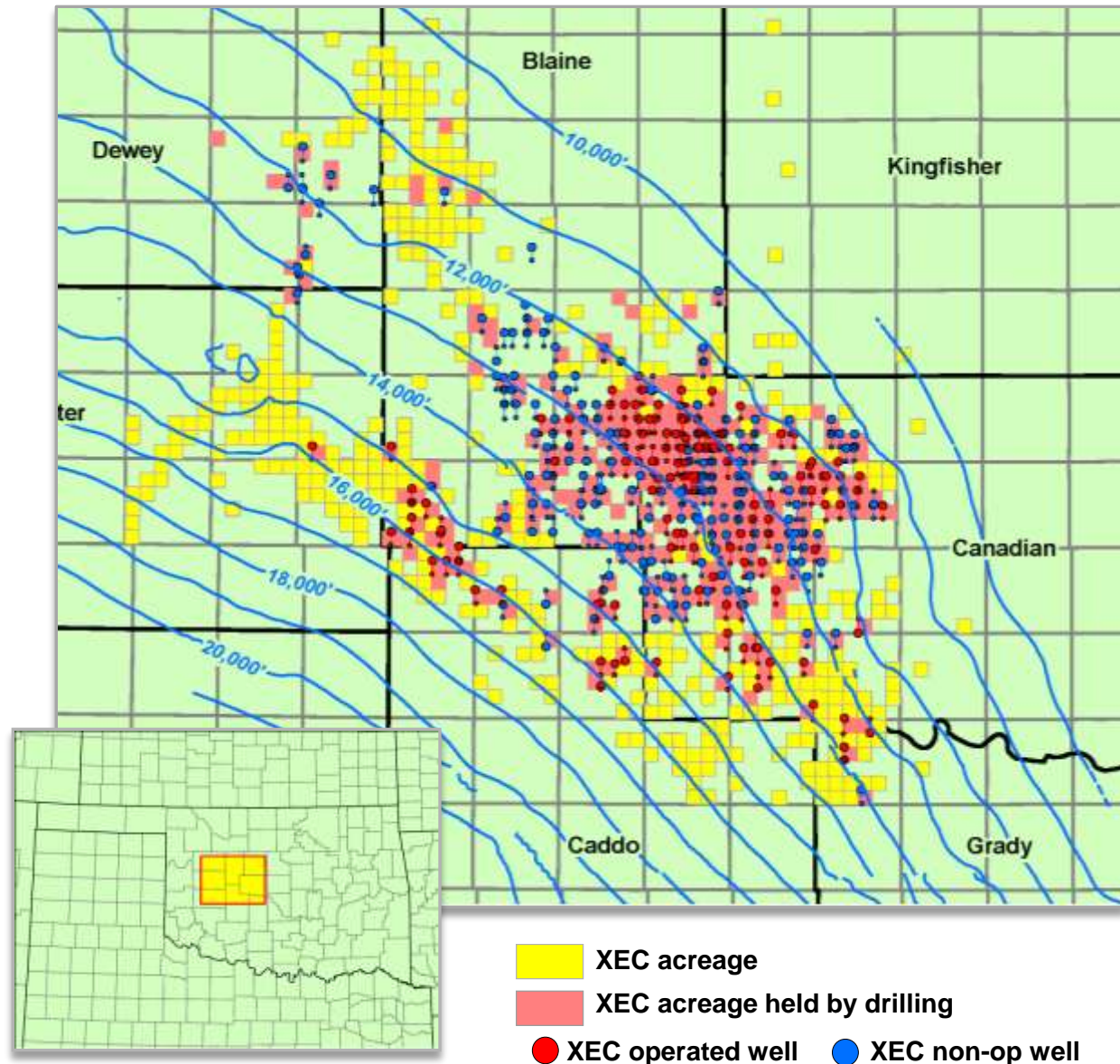
▲ Other Mid-Continent

- Evaluation of new horizontal concepts and plays



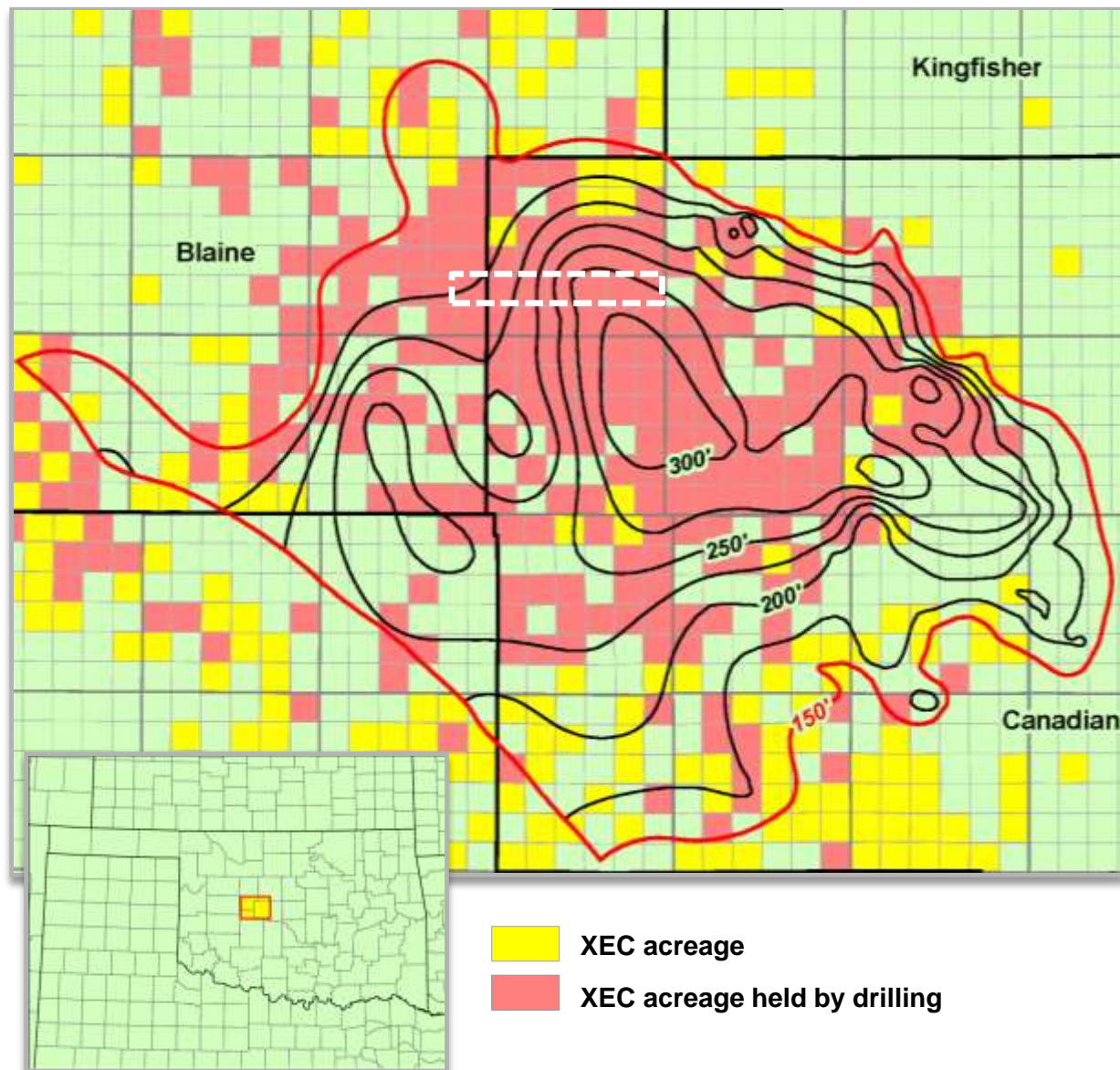
Cana-Woodford Shale

- 120,000+ net acres
 - 64,000 “Core”: < 15,000’ deep and >150’ shale thickness
- Drilled or participated in over 330 wells through YE 2011
- 2012 focus:
 - 10 rig program
 - Infill development in the core
 - 110 gross (49) net wells planned for the core



Cana-Woodford "Core"

- 64,000 net acres (93% HBP)
- High NRIs (~81%) and liquids (~35%) content contribute to solid economics
- 2012: beginning infill drilling program with 10 operated rigs on three sections
 - Two well pads
 - Nine wells per section
 - ~\$8 MM well cost
 - 6.5-8.5 Bcfe EURs
 - Infrastructure planning and construction



Cana-Woodford Summary

- **Q4-11 production 158 MMcfe/d, 59% increase over Q4 2010**
- **Significant un-booked potential in the Core**
 - 730 net locations (2,200 gross wells)
 - 4 - 5 Tcfe, net resource potential
 - YE 2011 proved reserves: 863 Bcfe, 43% PUD
- **\$5 - \$6 billion in future drilling capital**
- **Large resource potential on our acreage outside the Core**



Gulf Coast

Summary Statistics

Proved reserves (YE 11)	49.0	(Bcfe)
Production (Q4 11)	70.3	(MMcfe/d)
Net acres (YE 11)	81	(000s)

Capital Investment

	<u>2012E</u>	<u>2011E</u>
E&D Capital (\$ MM)	\$80	\$95
Wells drilled - gross	8	11
net	6	10



- ▲ Focused on Yegua/Cook Mountain trend in SE Texas
- ▲ 2012 focus: acquiring and re-processing seismic data

Key Investment Considerations

▲ Diversified drilling program

- Well positioned in multi-pay Permian Basin and Mid-Continent; areas which underpin long-term growth and value
- Rate of return focused
- Quickly adaptable to economic environment

▲ Solid proved reserves

- 82% proved developed
- 9.5-year reserve life - and growing

▲ Strong balance sheet

▲ Long track record of profitable growth and conservative use of leverage



Appendix

Hedges

Oil

Period	Index ⁽²⁾	Type	Daily Volume ⁽¹⁾	Average Price	
				Floor	Ceiling
Mar - Dec 2012	WTI	Collar	14,000	\$80.00	\$119.35

(1) Oil volume = bbls/d

(2) WTI = NYMEX West Texas Intermediate price.

Non-GAAP Reconciliation

Reconciliation of Net Income to EBITDA

(\$ in Millions)	2007	2008	2009	2010	2011
Net income	\$ 346	\$ (902)	\$ (312)	\$ 575	\$ 530
Income tax expense	198	(529)	(177)	339	312
Interest expense	18	10	11	1	0
Amortization of financing cost	(2)	(2)	5	7	6
Impairment of O&G	-	2,243	791	-	-
DD&A	471	556	278	312	402
EBITDA	<u>\$1,031</u>	<u>\$1,376</u>	<u>\$ 596</u>	<u>\$ 1,234</u>	<u>\$1,250</u>

Non-GAAP Reconciliation

Reconciliation of cash flow from operations

	YE 2011
	(in millions)
Net cash provided by operating activities	\$ 1,292
Change in operating assets and liabilities	<u>23</u>
Cash flow from operations	<u>\$ 1,315</u>

Debt/Cap Calculation

	YE 2011
	(in millions)
Long-term debt	\$ 405
Stockholders' Equity	<u>3,131</u>
Total capitalization	<u>\$ 3,536</u>
Long-term debt/total capitalization	11%

All-sources finding & development (F&D) cost

	2011
Proved Reserves adds (Bcfe)	
Revisions of previous estimates	(7.2)
Extensions & discoveries	587.0
Purchase of reserves	<u>23.9</u>
Total adds [A]	603.7
Total capital \$MM[B]	<u>\$ 1,625</u>
All-sources F&D (\$/Mcfe) [B]/[A]	<u>\$ 2.69</u>