

The logo for CIMAREX is displayed in a bold, italicized, white sans-serif font. The letters are closely spaced and have a slight shadow effect. The logo is centered horizontally and positioned in the middle of the page. The background behind the logo is a dark, textured grey with a fine, repeating pattern. A diagonal white line runs from the top-left to the bottom-right, separating the dark grey background from a solid orange background in the bottom-right corner. In the top-left corner, there is a small inset image showing a close-up of a yellow, perforated metal component, likely part of an oil rig or wellhead.

CIMAREX

Year-end 2011 Results

February 15, 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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SVP & CFO



2011 Financial 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 in '11 vs. \$1.6 B in '10
 - Higher oil prices +21% partially offset by lower gas prices -10%
 - Pricing differentials:
 - Nat gas realizations for 2011 +0.37 to NYMEX (NGL benefit delivered at well-head)
 - Oil differential staying around \$2-\$3 under NYMEX
 - NGL realizations ~44% of WTI (\$42/bbl); dropping latter part of Q4 continuing into Q1

▲ 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% vs. YE '10 of 12%

Debt/proved res = \$0.20/Mcfe (debt \$405 MM/ proved res 2.045 Tcfe)

Debt/EBITDA = 0.3x (debt \$405 MM / EBITDA \$1.25 B)



2011 Highlights / 2012 Capital

▲ Proved Reserves of 2.05 Tcfe

- Increased 9% over '10; +23% PF property sales
- Added 587 Bcfe from drilling (55% gas, 22% oil & 23% NGLs)
- All-sources F&D of \$2.69/Mcfe
- PD = 1.668 Tcfe (82%) PUD = 0.377 Tcfe (18%)

▲ 2012 Capital

- Expect E&D investment 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



Tom Jordan

CEO & President



2011 Accomplishments

▲ Invested \$1.58 B in exploration & development (E&D) drilling

- Drilled 174 net wells; solid returns in Permian and Cana programs

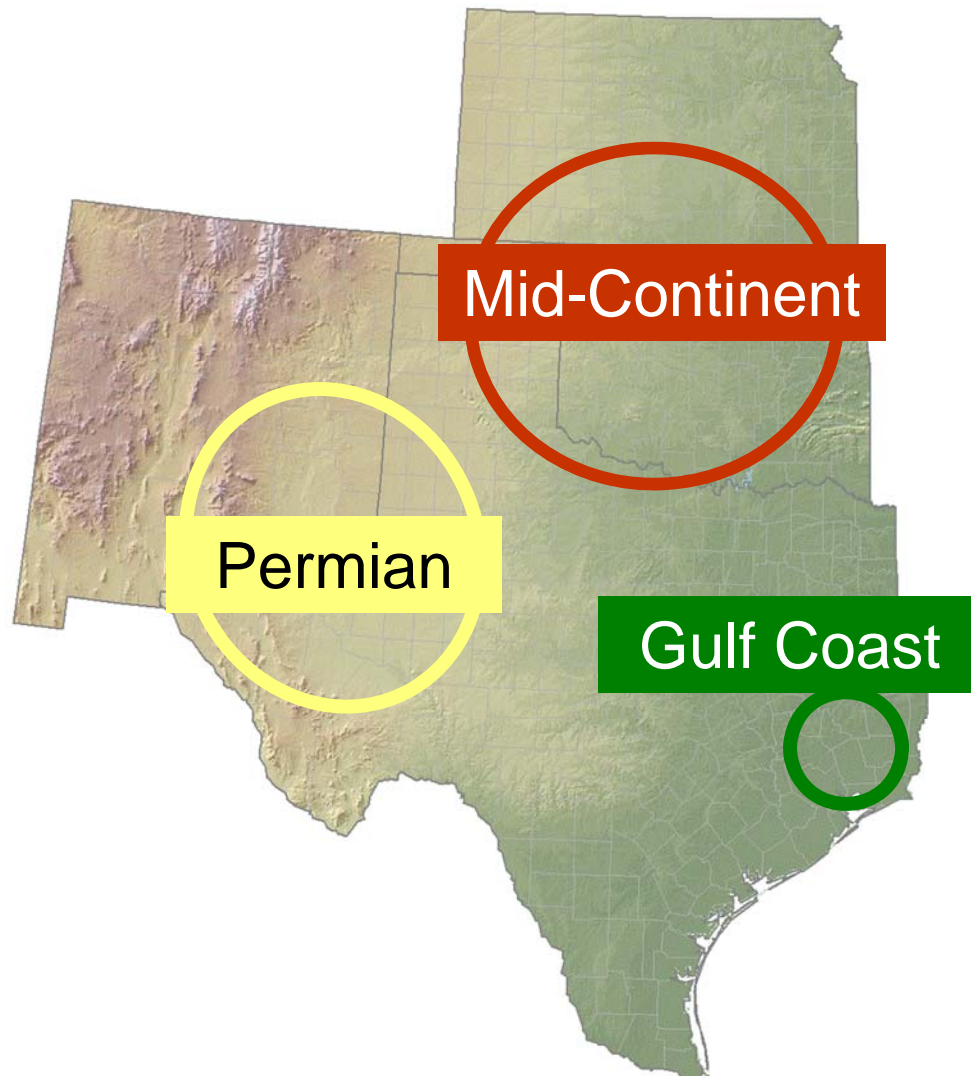
▲ Grew proved reserves to a record 2.05 Tcfe

- 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

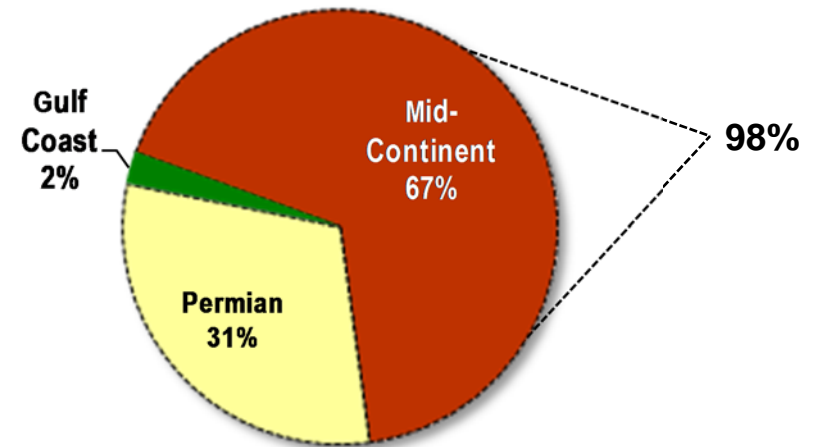
▲ Record 2011 PB/MC production of 487 MMcfe/d

- 16% production growth over 2010

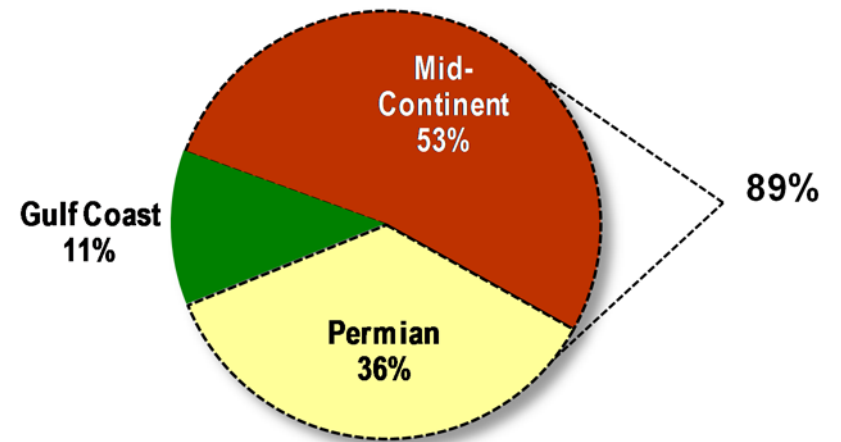
Core Operating Areas



YE 2011 Reserves – 2.05 Tcfe

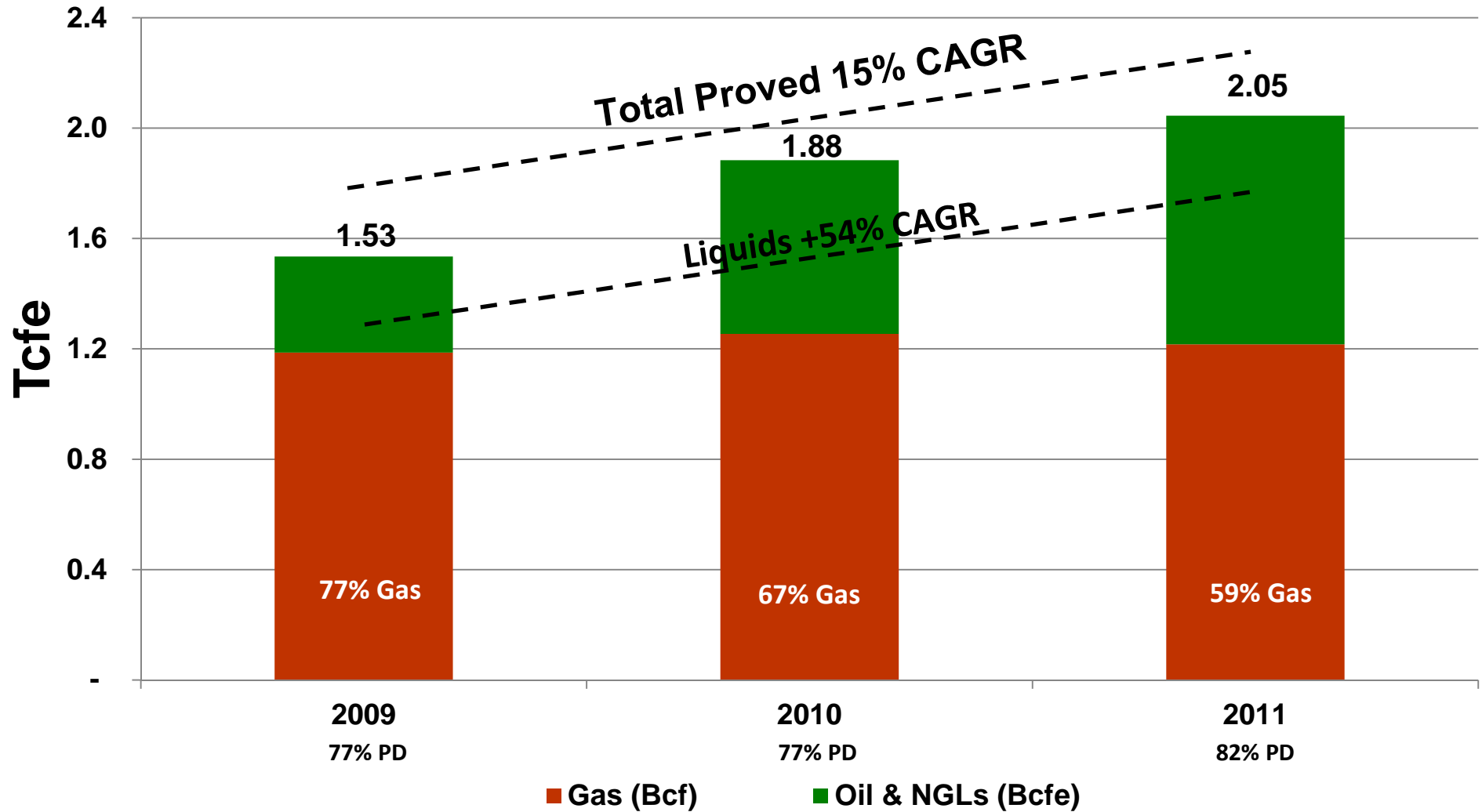


Q4 2011 Prod. 601 MMcfe/d



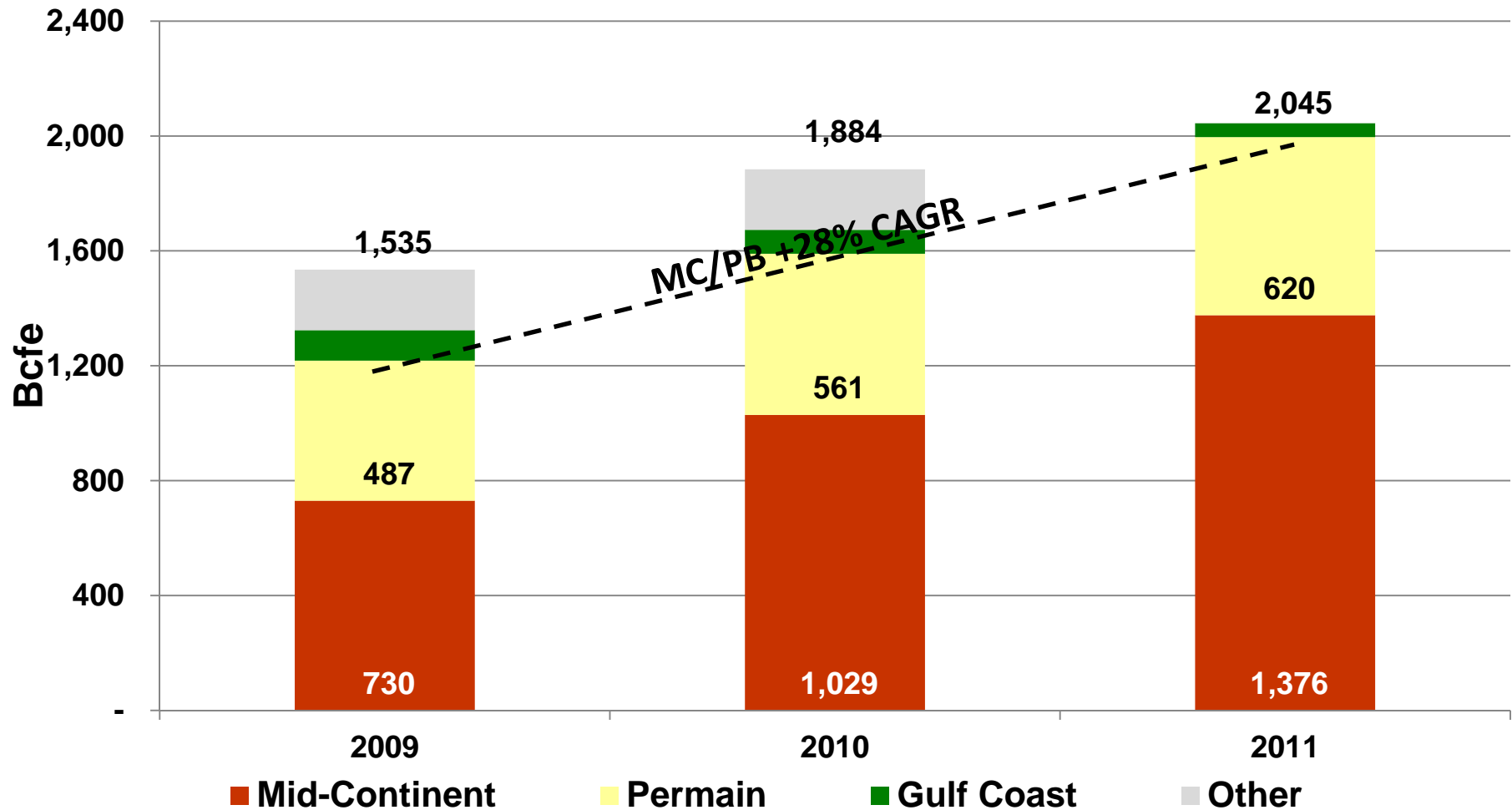


Proved Reserves





Proved Reserves by Region





2012 Activity

▲ Expect to invest \$1.4-\$1.6 B

- Solid returns in liquids rich areas
- Reserve/production adds from 2012 drilling ~ 40-50% liquids

▲ Permian Basin projected to average 11-15 rigs

- Bone Spring > 60 wells
- Unconventional Wolfcamp & Avalon > 30 wells
- Paddock > 50 wells

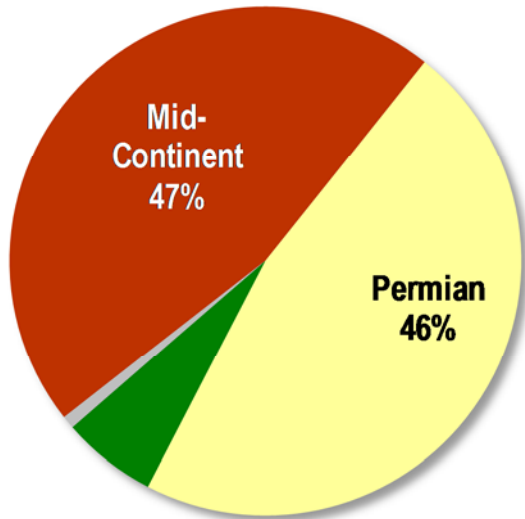
▲ Mid-Continent expected to average 10-12 rigs

- Cana-Woodford core infill development ~110 wells
- Outside Cana-core ~20 wells

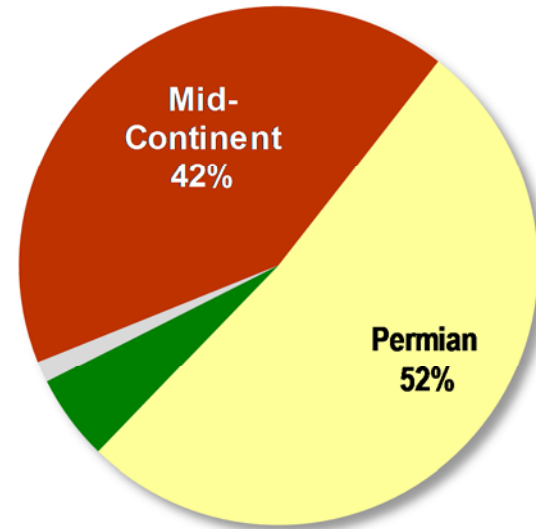


2012 Capital Investment

2011 E&D Capital
\$1.58 B



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



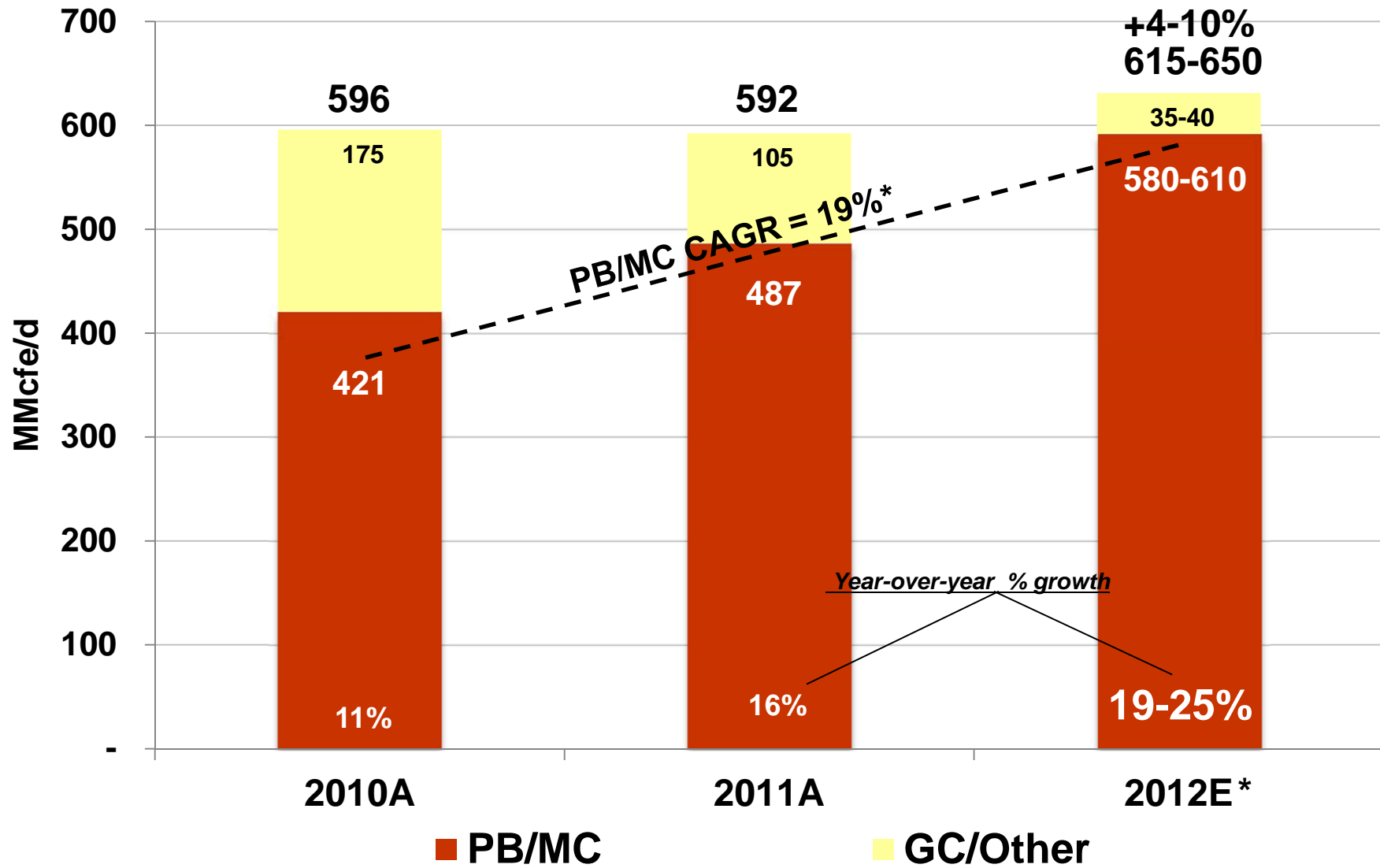
	E&D Capital (\$ MM)	Well Count	
		Gross (Drilled & Completed)	Net
PB	731	140	100
MC	741	180	64
GC/other	108	11	10
	1,580	331	174

(Mid-Pt. Est.)

	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



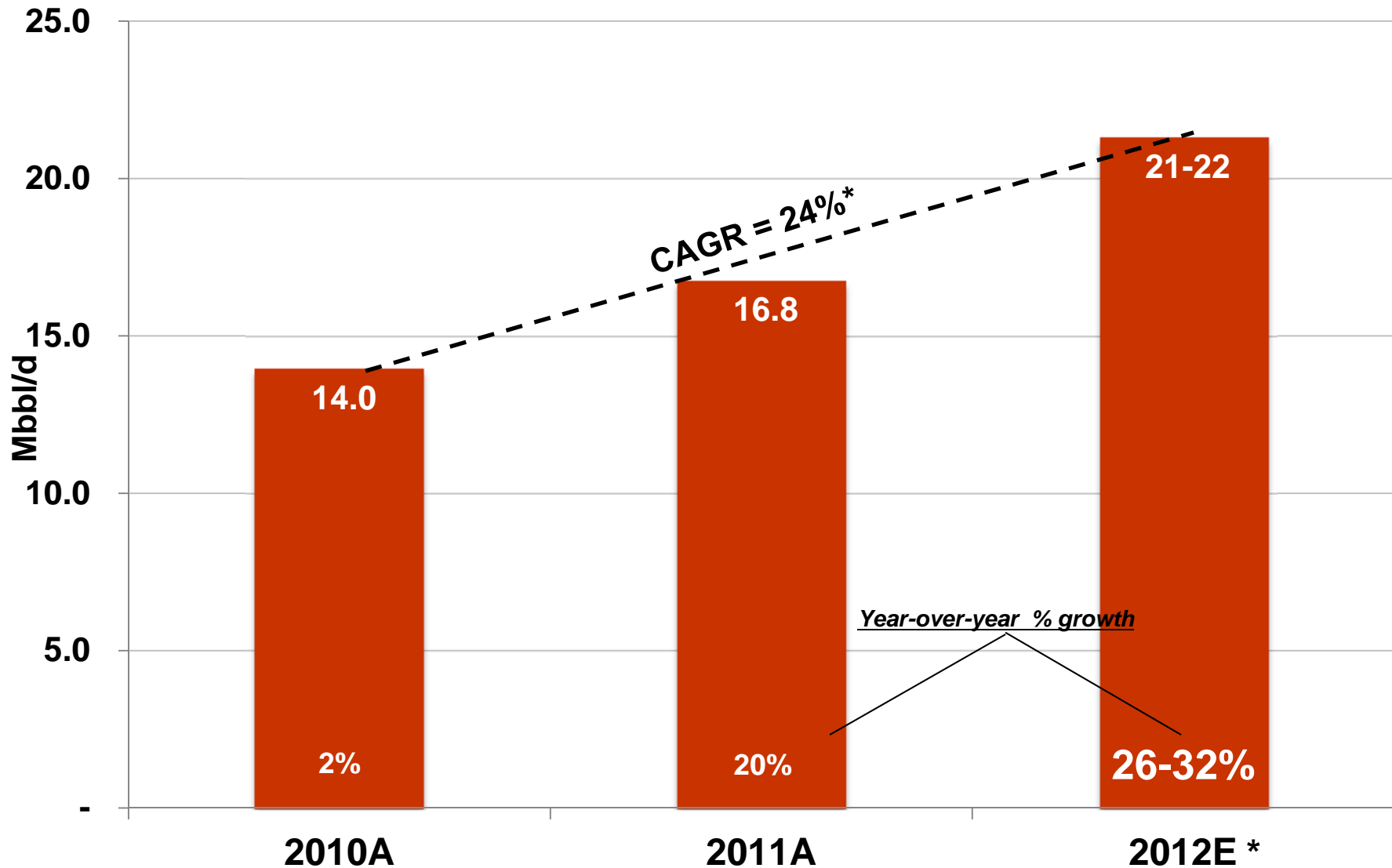
PB/MC Production Growth



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



Permian Oil Production (Mbb/d)



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

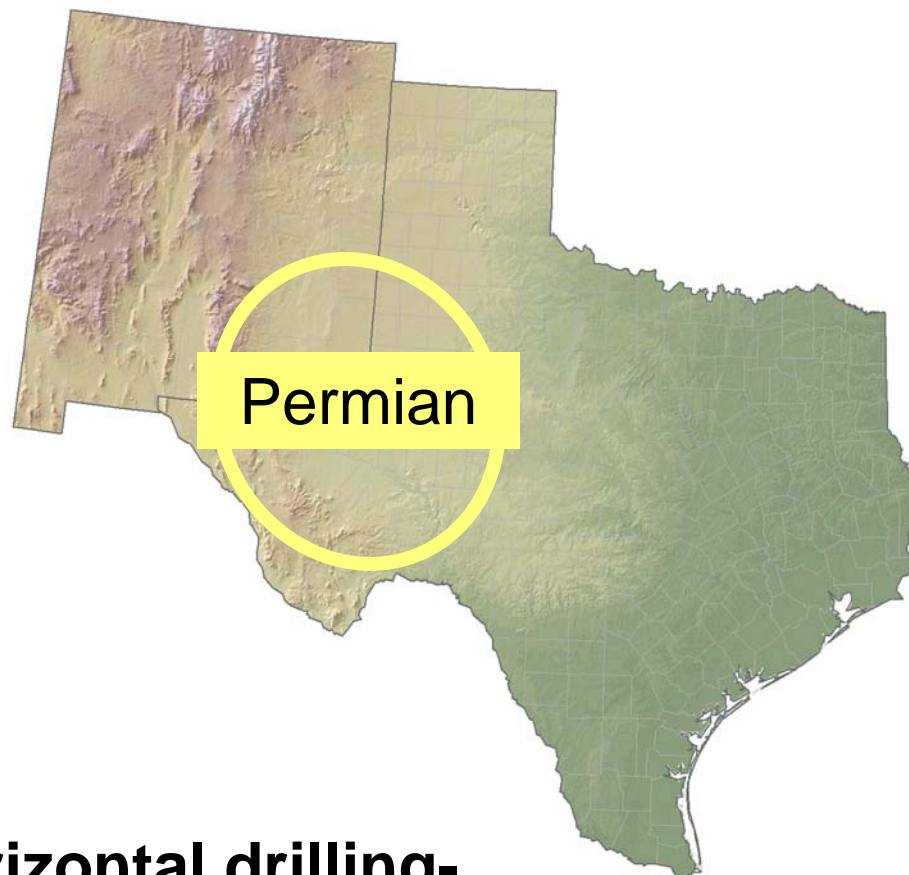
Permian Basin

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

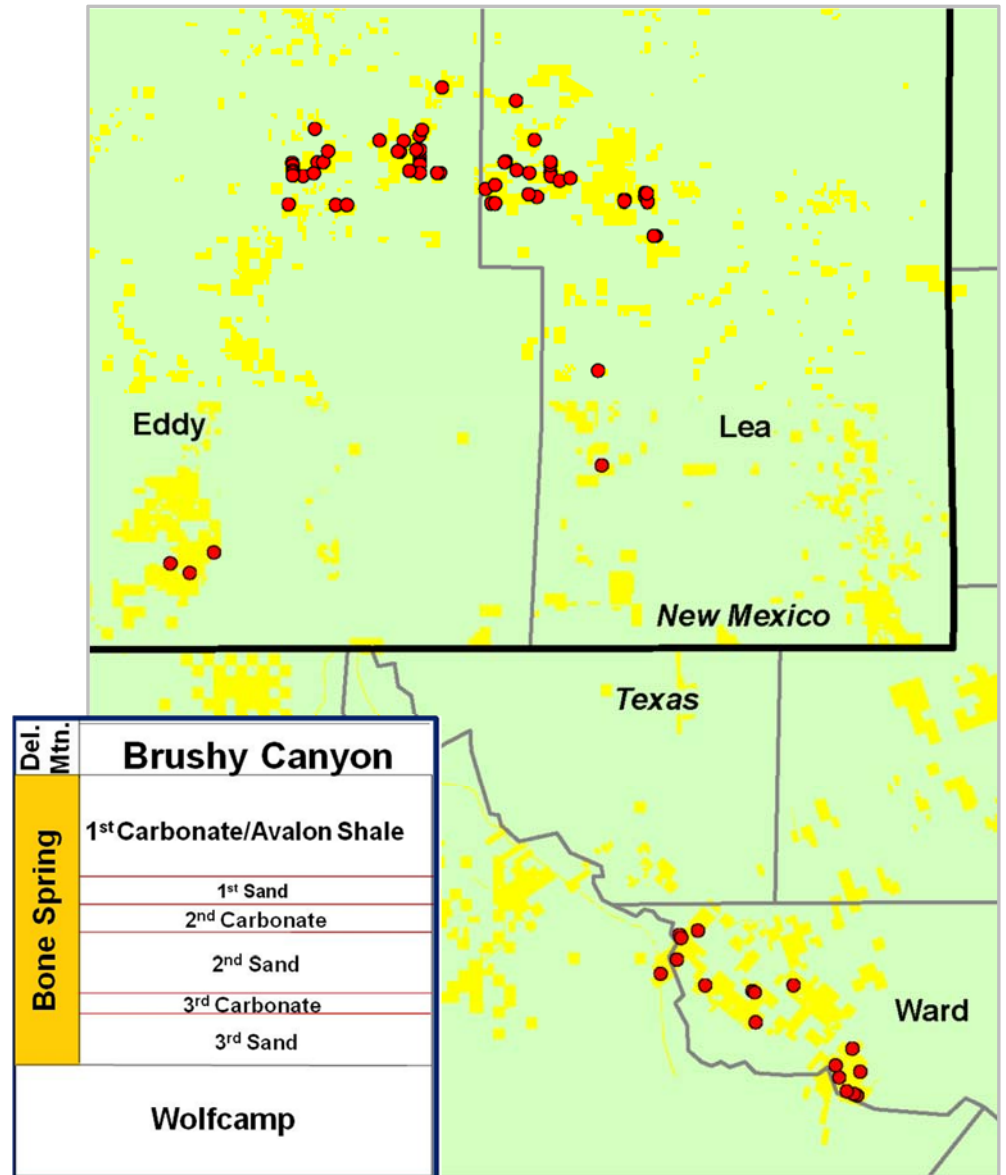
	<u>2012E</u>	<u>2011A</u>
E&D Capital (\$ MM)	\$775	\$731
Wells drilled - gross	150	140
net	105	100



- 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 \$7.5-\$8.5 million
- Encouraging initial results in Lea Cty. Avalon



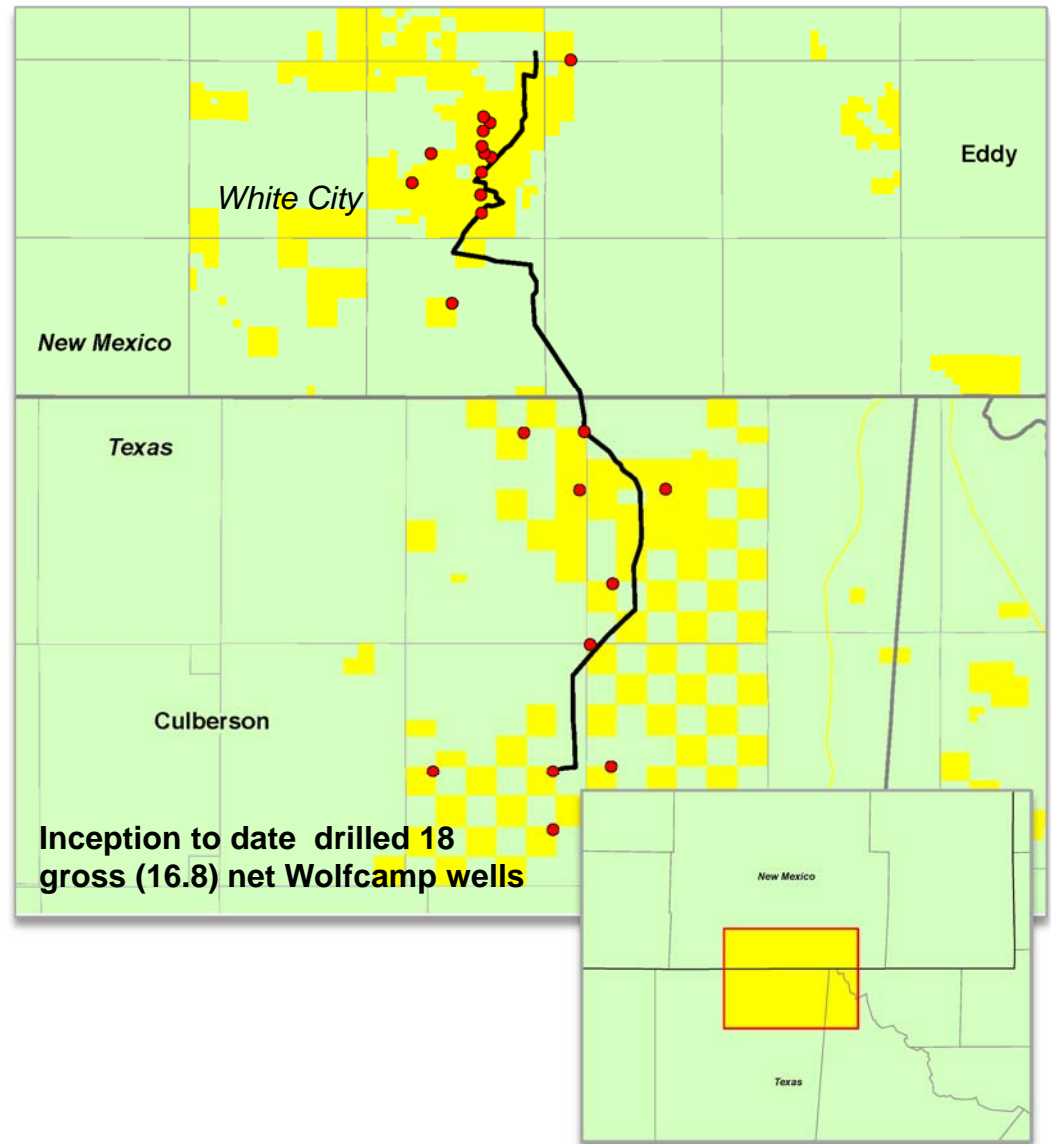
Permian – Bone Spring/Avalon

- **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**



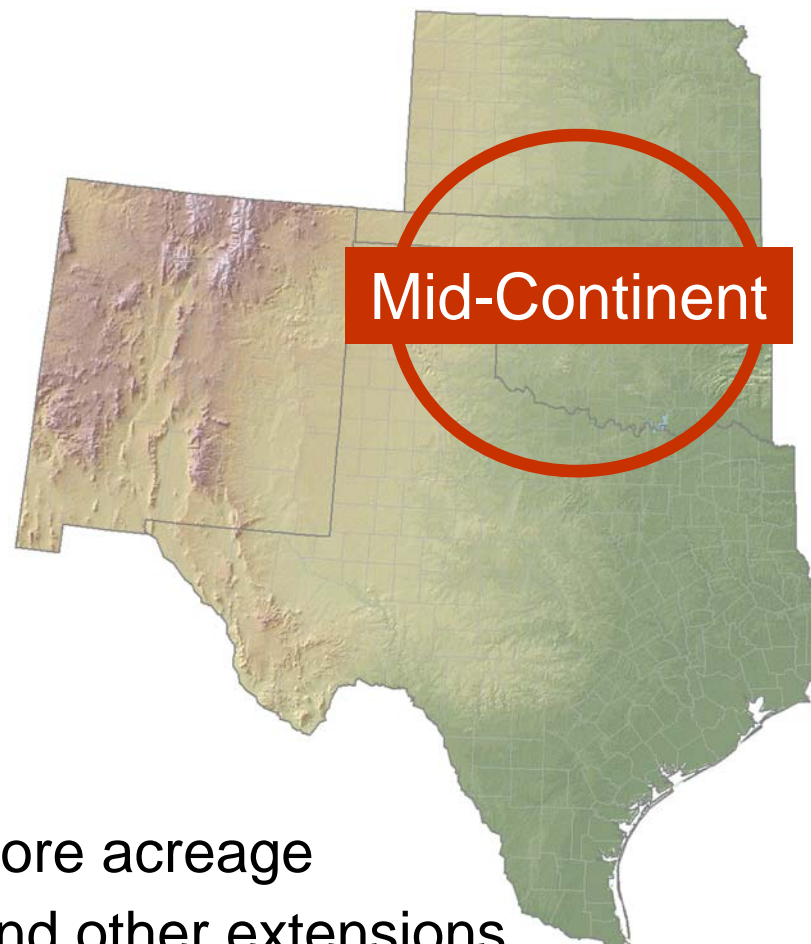
Mid-Continent Region

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

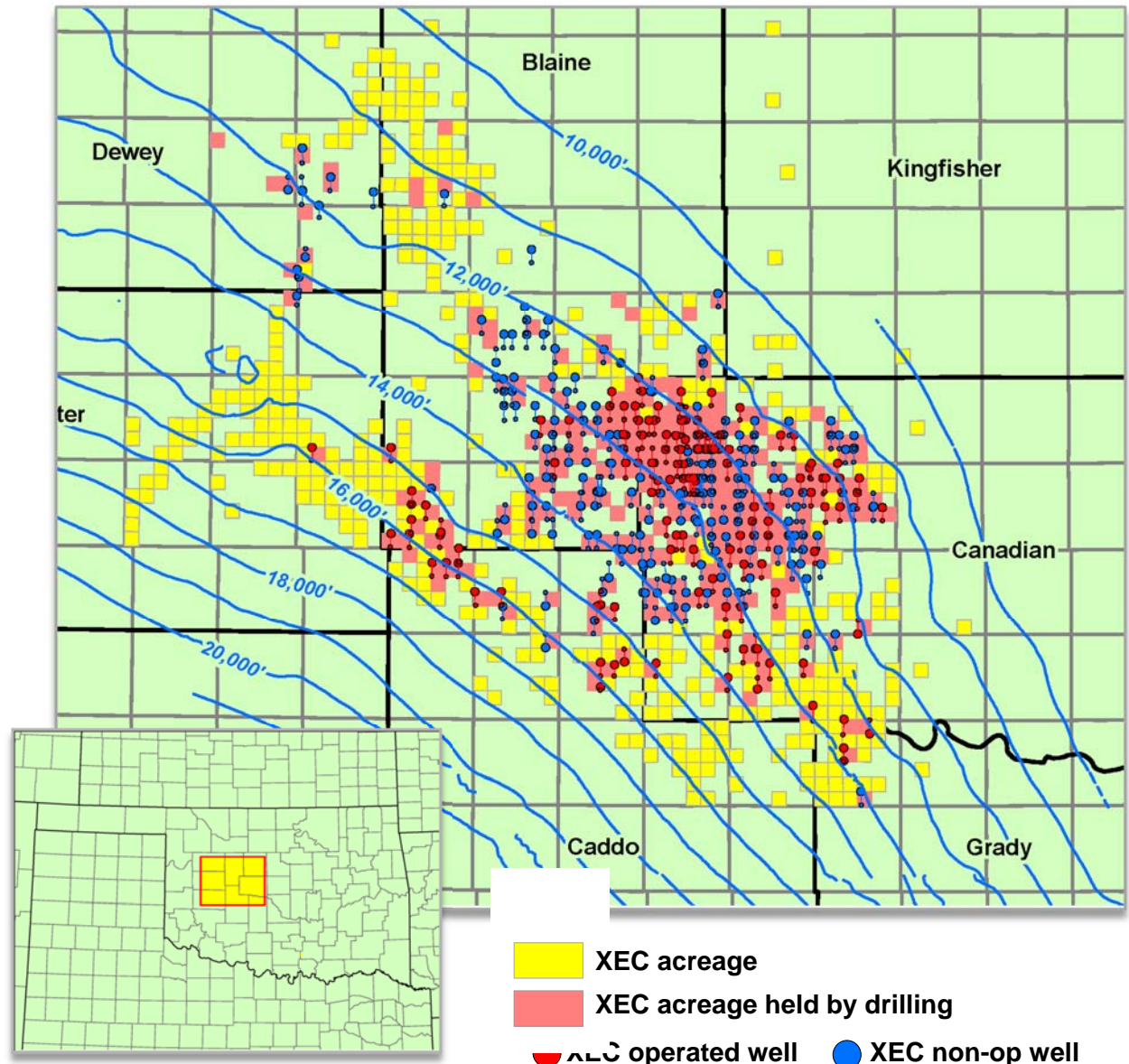
- Commencing infill development of Core acreage
- Ongoing evaluation of Cana Deep and other extensions

▲ Other Mid-Continent

- Evaluation of new horizontal concepts and plays

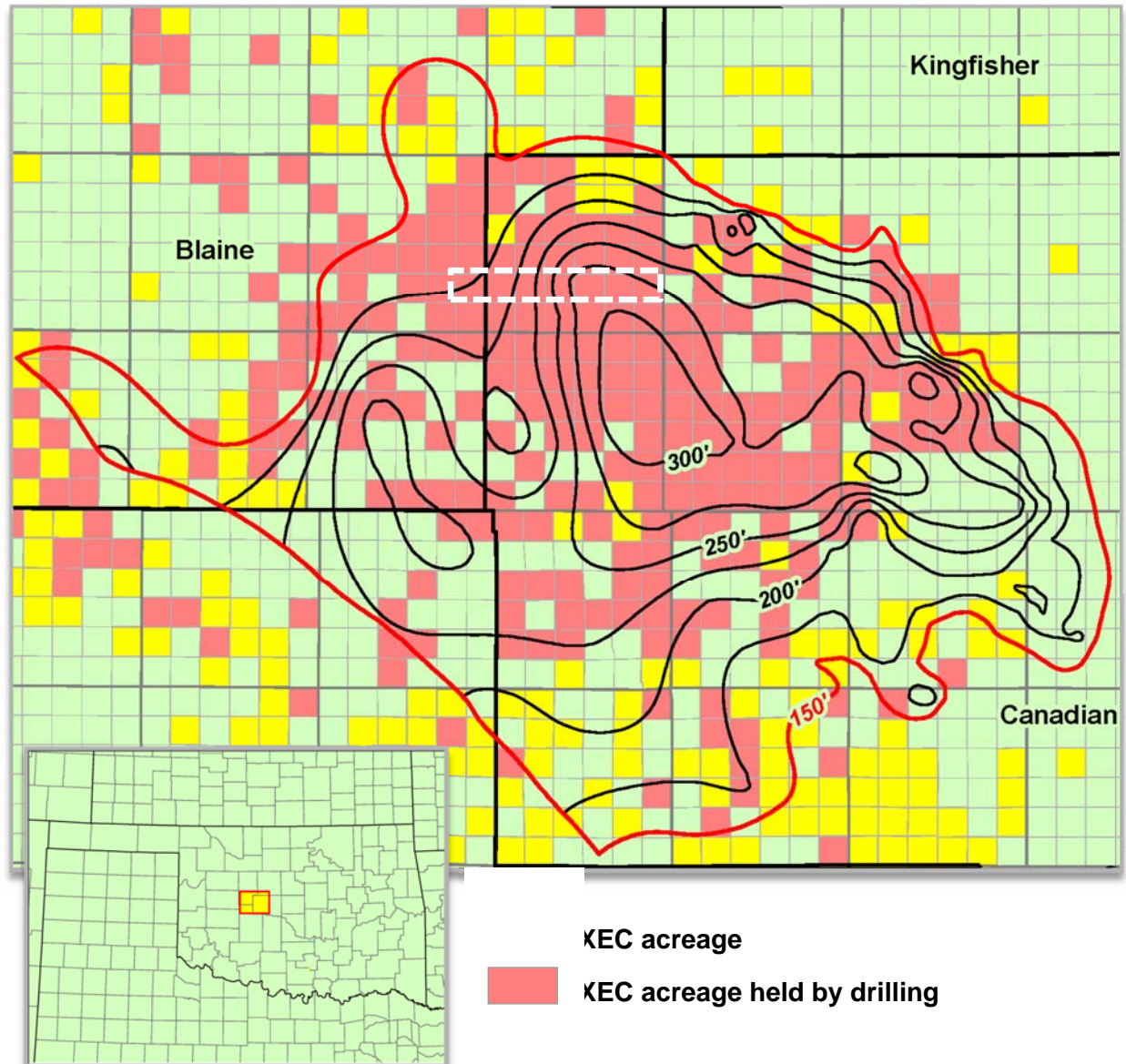
Cana-Woodford Shale

- 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
 - Deep and other de-risking (1 rig)
 - 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

	2012E	2011E
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



Joe Albi

EVP - COO



Q4-11 / Full Year 2011 Production

▲ Q411 avg. net production = 601 MMcfe/d

- Hit mid-point of guidance of 588-613 MMcfe/d
- Record Permian & Mid-Continent (PB/MC) production of 531 MMcfe/d, 17% higher than fourth-quarter 2010
- Permian oil volumes grew 24% over fourth-quarter 2010 to an all-time high of 19,123 barrels per day

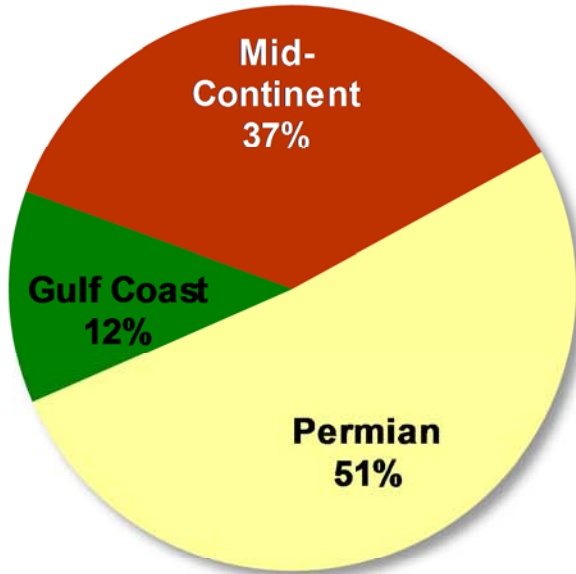
▲ 2011 avg. net production = 592 MMcfe/d

- Flat to 2010 average of 595 MMcfe/d
- PB/MC growth offset by 70 MMcfe/d decline in Gulf Coast volumes
- PB/MC production averaged 487 MMcfe/d, growing 16% over 2010

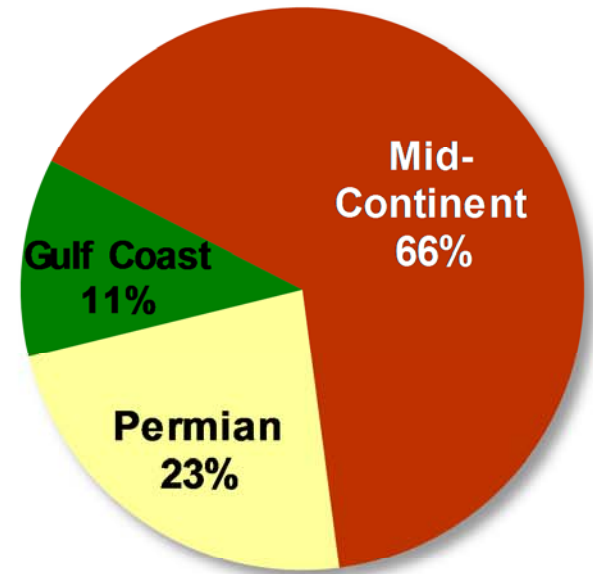


Q411 Production By Region

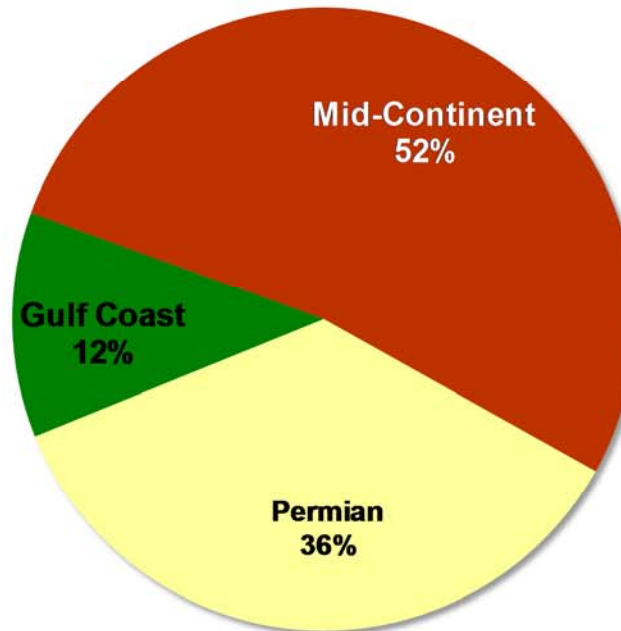
Liquids (44.5 Mb/d)



Gas (334.2 MMcf/d)



Total (601 MMcfe/d)



Production Guidance

- ▲ **Strong PB & MC growth +19-25%**
- ▲ **Liquids emphasis**
 - PB/MC:
 - Oil volumes +20-27%
 - NGLs +37-44%
- ▲ **GC assumes no 2012 drilling contribution**
 - GC projected to be less than 6% of total company volumes for 2012
- ▲ **First-quarter 2012 production 595-615 MMcfe/d**

	<u>2011A</u>	<u>2012E</u> <u>Range</u>	<u>% Chg.</u> <u>'12 vs '11</u>
Gas (MMcf/d)			
PB & MC	276.5	314 - 330	13 - 19
GC/Other	<u>52.6</u>	<u>20</u> - <u>23</u>	<u>(62)</u> - <u>(56)</u>
	329.1	334 - 353	1 - 7
Oil (Mb/d)			
PB & MC	22.5	27.1 - 28.5	20 - 27
GC/Other	<u>4.3</u>	<u>1.2</u> - <u>1.4</u>	<u>(72)</u> - <u>(67)</u>
	26.8	28.3 - 29.9	6 - 12
NGL (Mb/d)			
PB & MC	12.6	17.3 - 18.2	37 - 44
GC/Other	<u>4.5</u>	<u>1.3</u> - <u>1.4</u>	<u>(71)</u> - <u>(69)</u>
	17.1	18.6 - 19.6	9 - 15
Total (MMcfe/d)			
PB & MC	487.0	580 - 610	19 - 25
GC/Other	<u>105.3</u>	<u>35</u> - <u>40</u>	<u>(67)</u> - <u>(62)</u>
	592.3	615 - 650	4 - 10
% Liquids	44%	46%	



2011/2012 Production Group Focus

▲ 2011 Activity

- \$65 MM investment
- Performed > 375 projects (infill drilling, recompletions, workovers, SWD & lift)

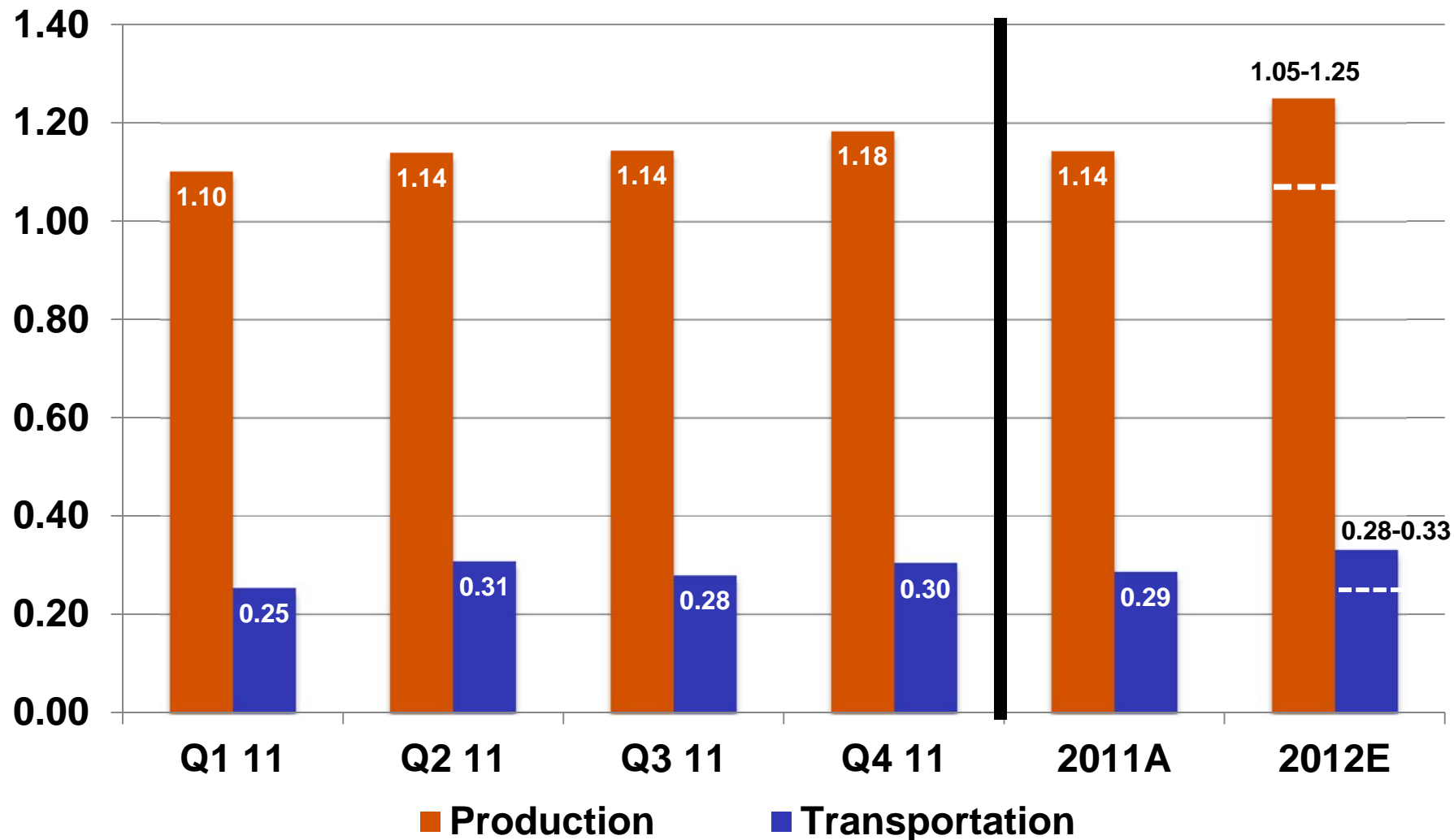
▲ Maximize base property net operating income

- Optimize production
- Reduce lifting cost, SWD

▲ 2012 Exploitation capital

- \$60-75 MM
- Lift / recompletion / infill drilling
 - ▲ Primarily Permian / Mid-Continent areas

Unit Operating Expense (\$/Mcfe)





Appendix



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 <u>(in millions)</u>
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 <u>(in millions)</u>
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

	<u>2011</u>
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>