

Cimarex Energy  
(NYSE XEC)  
Denver, Colo.  
[www.cimarex.com](http://www.cimarex.com)

Founded: 2003

Employees: 760

Annual revenue: \$1.43B

Products: oil and gas  
exploration and production

“Both Scrum and ScrumWorks™ Pro have increased visibility at every stage of a project. You don’t always know every detail about what someone on your team is doing, but activity and impediments are communicated every day through the daily standup meetings. That kind of transparency heightens productivity, surfaces potential issues, and facilitates collaborative communication.”

-- David Pumphrey, Cimarex Energy

### Situation

Life in the energy industry is extremely cyclical. Just ask Cimarex Energy, a Denver, Colo.-based independent oil and gas exploration and production company with holdings orbiting the Gulf of Mexico. When Cimarex strikes oil, business booms. When the wells are dry, it can seem like a long time until the next successful drill. Because the energy industry is defined by these turbulent ups and downs, one of Cimarex’s goals is to limit the staff it employs. That means that when reserves are lean, the company’s employees don’t have to worry about downsizing.

Cimarex’s Tulsa, Okla.-based team is committed to minimizing its employees and accomplishes this by taking on responsibilities typically reserved for an Information Technology staff. So when David Pumphrey, an application development lead, and Dana Nichols, a production administration manager, were charged with the implementation of new, company-wide industry-leading production accounting and field data gathering system, they quickly realized that a standard approach to project management could not handle the unanticipated hiccups in that process. And since the transition needed to occur without any disruption in volume management, the team required a framework that could flexibly adapt to emerging conditions.

“It was clear that traditional management wouldn’t be a good cultural fit for a company as young as ours,” said Pumphrey, explaining why Cimarex chose to pursue Scrum. “And anything ‘waterfallish’ would simply take too long. When you blindly follow an inflexible plan for nine months and finally finish, the world has moved on.”

### Application

When Pumphrey led the initial Scrum implementation in April 2007, he began by reading books by Agile gurus such as Alistair Coburn, Kent Beck, and Mike Cohn, which was followed by a ScrumMaster certification course. Convinced that Scrum would work at Cimarex, Pumphrey and the team began to discuss finding the right



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tooling solution to support the Scrum framework. One team member suggested ScrumWorks™; he and Pumphrey downloaded a free 35-day trial of ScrumWorks Pro (<http://danube.com/scrumworks/pro/trial>). It was much more intuitive and easy-to-use than other tools they had tried.

“ScrumWorks immediately appealed to me because it gave me a clear picture of my project,” Pumphrey said. “The Web reports and the ability to reprioritize and reorganize with drag-and-drop were both clearly valuable, but the user interface’s single-screen view of the entire project was the real selling point.”

Pumphrey educated the team on Scrum based on his training, but the group of 20 adapted to ScrumWorks on their own. “They latched on to the Web task board,” he said. The team’s collective decision to adopt Scrum made it a smooth, unified transformation.

### Solution

When Cimarex’ data was initially converted and transferred to the new software system, some data was corrupted which caused Cimarex to cancel the first attempt to implement the vendor’s software and correct downstream data corruption. Where a waterfallish management paradigm does not account for such crises, the order and stability of Scrum’s principles and processes provide a way to navigate even the most catastrophic scenarios. In this situation, the Cimarex team was able to lean on the parameters of Scrum to stay focused on the goal.

“We were able to use the flexibility of the Scrum framework to plan how to get back on track,” explained Nichols. “We adjusted to the data corruption by writing more user stories and forming a plan. Scrum gave us a structure to respond to the situation.”

In the end, Cimarex recovered its data, expanded its installation, and even convinced a vendor partner to begin practicing Scrum. From the company’s point of view, the level of visibility ScrumWorks brought to projects boosted the team’s communication and, consequently, its productivity.

“ScrumWorks’ metrics give us a better feel for how a project is going,” said Pumphrey. “When people are used to flying by the seats of their pants, it’s hard to get them used to planning. But ScrumWorks Pro allowed us to always keep the end in mind throughout the entire process. We could see how one sprint affected the next and that impacted productivity significantly.”

Nichols, on the other hand, appreciated the way that, with ScrumWorks, a record of the work completed each sprint is built directly into the Scrum process. Writing specific user stories and actively charting their progress toward completion creates a document of an organization’s activity that can pay off beyond the Scrum lifecycle.

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“Working from a Sarbanes-Oxley perspective and within a group that is highly scrutinized, ScrumWorks is incredibly helpful because the process of documentation happens naturally throughout the whole project,” she said.

Pumphrey agrees that Scrum’s emphasis on visibility has contributed to team members taking on more responsibility, a privilege that is reflected in both elevated productivity and morale.

“You don’t always know every detail about what someone on your team is doing,” he said. “But activity and impediments are communicated every day through the daily standup meetings. That kind of transparency heightens productivity, surfaces potential issues, and facilitates collaborative communication.”

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