



# Q1 2019 Supplemental Earnings Presentation

MAY 2019



NYSE American: NOG



# FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements regarding future events and future results that are subject to the safe harbors created under the Securities Act of 1933 (the “Securities Act”) and the Securities Exchange Act of 1934 (the “Exchange Act”). All statements other than statements of historical facts included in this presentation regarding Northern’s financial position, business strategy, plans and objectives of management for future operations, industry conditions, and indebtedness covenant compliance are forward-looking statements. When used in this presentation, forward-looking statements are generally accompanied by terms or phrases such as “estimate,” “project,” “predict,” “believe,” “expect,” “continue,” “anticipate,” “target,” “could,” “plan,” “intend,” “seek,” “goal,” “will,” “should,” “may” or other words and similar expressions that convey the uncertainty of future events or outcomes. Items contemplating or making assumptions about actual or potential future sales, market size, collaborations, and trends or operating results also constitute such forward-looking statements.

Forward-looking statements involve inherent risks and uncertainties, and important factors (many of which are beyond our company’s control) that could cause actual results to differ materially from those set forth in the forward-looking statements, including the following: changes in crude oil and natural gas prices, the pace of drilling and completions activity on Northern’s current properties and properties pending acquisition, Northern’s ability to acquire additional development opportunities, changes in Northern’s reserves estimates or the value thereof, general economic or industry conditions, nationally and/or in the communities in which Northern conducts business, changes in the interest rate environment, legislation or regulatory requirements, conditions of the securities markets, Northern’s ability to consummate any pending acquisition transactions, other risks and uncertainties related to the closing of pending acquisition transactions, Northern’s ability to raise or access capital, changes in accounting principles, policies or guidelines, financial or political instability, acts of war or terrorism, and other economic, competitive, governmental, regulatory and technical factors affecting our company’s operations, products and prices.

Northern has based these forward-looking statements on its current expectations and assumptions about future events. While management considers these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks, contingencies and uncertainties, most of which are difficult to predict and many of which are beyond Northern’s control. Northern does not undertake any duty to update or revise any forward-looking statements, except as may be required by the federal securities laws.



# NORTHERN OIL & GAS – WHY NORTHERN’S BETTER



NYSE American: NOG

## RETURNS FOCUS

**BETTER  
BUSINESS  
MODEL**

**BETTER  
BASIN**

**BETTER  
CAPITAL  
ALLOCATION**

**BETTER LT  
GROWTH  
POTENTIAL**

*Changing the way the market  
thinks about E&P*



**Northern**  
Oil & Gas, Inc.



## DOMINANT NON-OPERATOR FRANCHISE IN THE WILLISTON BASIN

*Focused on disciplined growth, free cash flow  
generation and sustainable shareholder returns*

### BY THE NUMBERS<sup>1</sup>

#### SCALE

**~160,000**

NET ACRES

#### ACTIVITY

**34,598**

1Q19 PRODUCTION BOE/D

#### CASH FLOW

**\$105 mm**

1Q19 ADJUSTED EBITDA<sup>3</sup>

**91%**

HELD BY PRODUCTION

**135.5**

PROVED RESERVES MMBOE

**\$87.5 mm**

1Q19 CASH FLOW  
FROM OPERATIONS<sup>4</sup>



(US\$)<sup>2</sup>

NYSE: NOG

Shares  
Outstanding:

382.2 mm

Share Price:

\$2.29

Market  
Capitalization:

\$875 mm

Enterprise Value:

\$1,711 mm

1. Data as of 3/31/2019, except reserves data as of 12/31/18..

2. Shares Outstanding as of May 7, 2019, Share Price NYSE: NOG as of 5/8/2019, Debt as of March 31, 2019.

3. Adjusted EBITDA is a non-GAAP financial measure. Please see the appendix for reconciliation to the most directly comparable GAAP measure.

4. Excludes cash flows due to changes in working capital.



# DIFFERENTIATED E&P PLATFORM

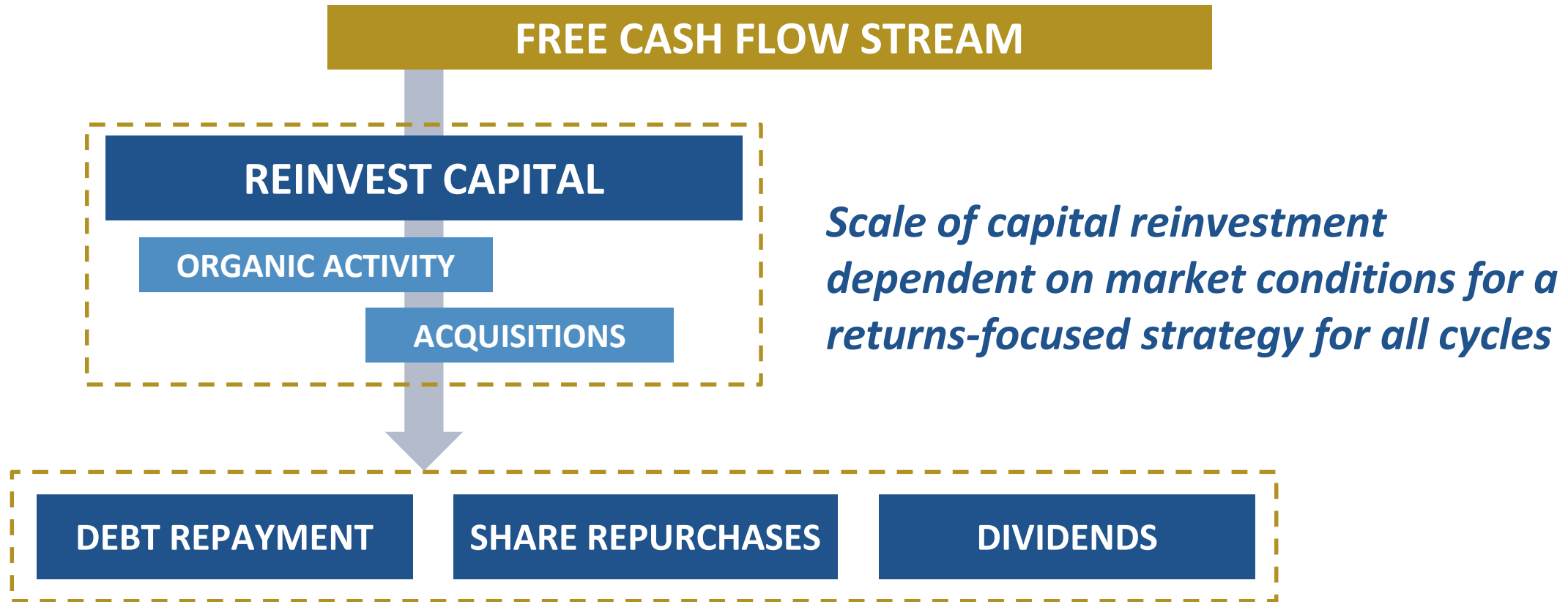


*As a non-operator, Northern has an exceptionally high level of capital allocation flexibility*

*We seek to capture & participate in only the highest-return opportunities across the Williston Basin*



# 2019 CAPITAL ALLOCATION STRATEGY



*Capital allocation ensures strategic management of balance sheet  
& shareholder returns through disciplined approach*



# THE NON-OPERATOR MODEL: WHAT WE DO

- *A flexible and moderated approach to E&P, offering capital discipline, cost control & protection from downside exposure*



***We do not drill wells or  
operate rigs***



***We acquire minority working  
interests in drilling units & wells***



***Ability to control capital  
expenditures higher & lower***

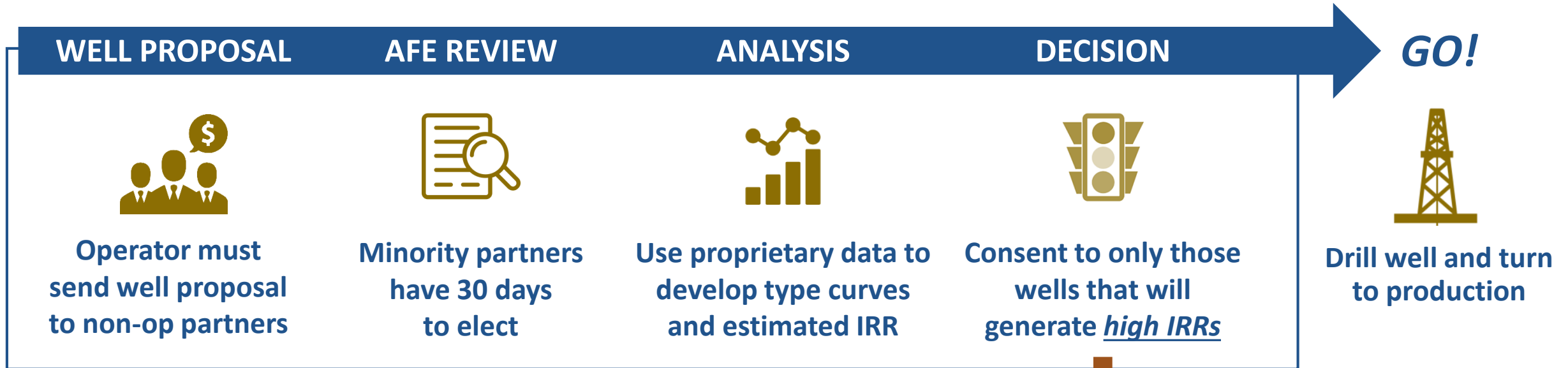


***'Small, big company' advantages  
with only 22 employees***



# THE NON-OPERATOR MODEL: CONSENT PROCESS

➤ Northern's land & engineering teams review every well AFE to determine participation or non-consent



## NON-CONSENT

- Well does not meet Northern's IRR standards
- Northern does not participate in well costs or receive benefits
- ✓ **BUT, retains right to participate in other wells/zones in same drilling spacing unit**



# THE NON-OPERATOR MODEL: CAPITAL BENEFITS

## CAPEX CONTROL



### *Ability to increase and decrease capital quickly*

- No rig or drilling contracts, no embedded personnel at the field level
- Non-consent process allows us to cut drilling expenditures as returns dictate
- Decision to drill, given our significant liquidity, is purely economic



### *Costs limited to drilling and acreage*

- No material joint-operating agreements (“JOA”s)
- No associated midstream build-out costs

## CAPITAL FLEXIBILITY



### *Northern’s flexibility to increase capital misunderstood by investors*

- Ground game makes up to 20% of our typical annual budget
- Daily deal flow allows Northern to increase working interests, year-after-year, given legacy participation in 30%+ of all Bakken and Three Forks wells drilled in basin
- Leverage internal proprietary database to make accurate and timely decisions to seek to increase ownership in proposed wells



# THE NON-OPERATOR MODEL: COST BENEFITS

## SCALABILITY



*Only 22 full-time employees*

- Virtually unchanged despite doubling of production base in 2018

## COST & MARGIN



*Peer leading cost structure*

- \$1.06/Boe cash G&A<sup>(1)</sup> cost in 1Q 2019 – among the best in the industry
- Majority of acquisitions require minimal additional overhead

*Versus typical E&P company, at current guidance, over \$20 million additional annual margin net to our shareholders vs typical \$3.00 G&A per barrel*

1. Cash G&A is a non-GAAP financial measure. Please see the appendix for reconciliation to the most directly comparable GAAP Measure.



# THE NON-OPERATOR MODEL: NOG ADVANTAGE

## LEVERAGING EXPERIENCE



***Proprietary Northern database, built from participation in over 5,000 wells, 30%+ of all Bakken and Three Forks wells drilled play to date***

- 300+ internally generated type curves by operator, by field, by formation
  - More accurate analysis tailored to specific acquisition opportunity
- Ownership database covers the Williston Basin
  - Timely identify sellers in economic areas as completion methods evolve
  - Northern already has significant data and ownership in most acquisitions we analyze

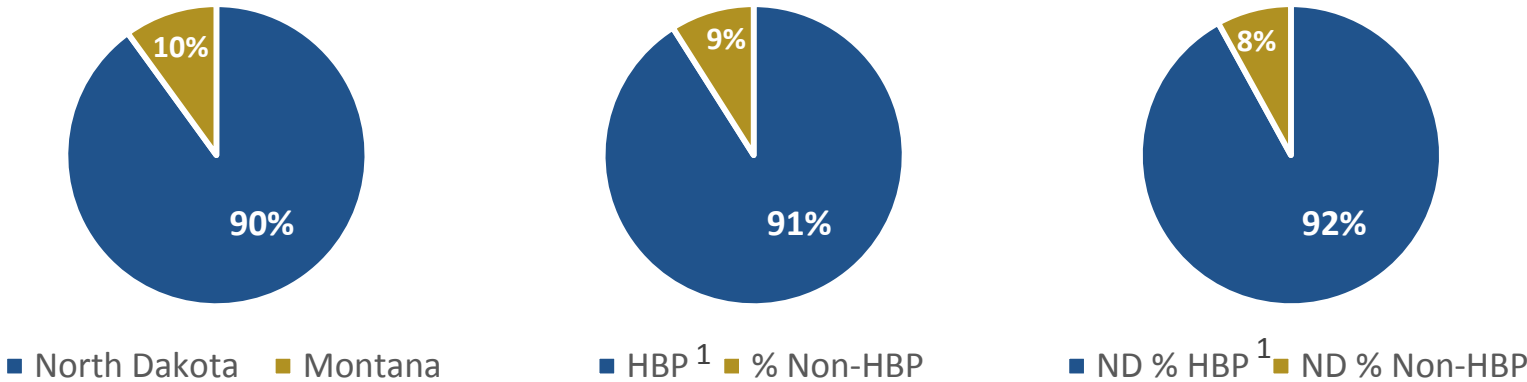
***Actively manage asset in order to accelerate growth  
Target economic acquisition opportunities ahead of the market***



# FOCUSED WILLISTON BASIN CORE FOOTPRINT

➤ Portfolio of high-quality acreage in the heart of the basin with interests in over 5,000 gross Bakken/Three Forks oil wells

## NET ACREAGE SUMMARY

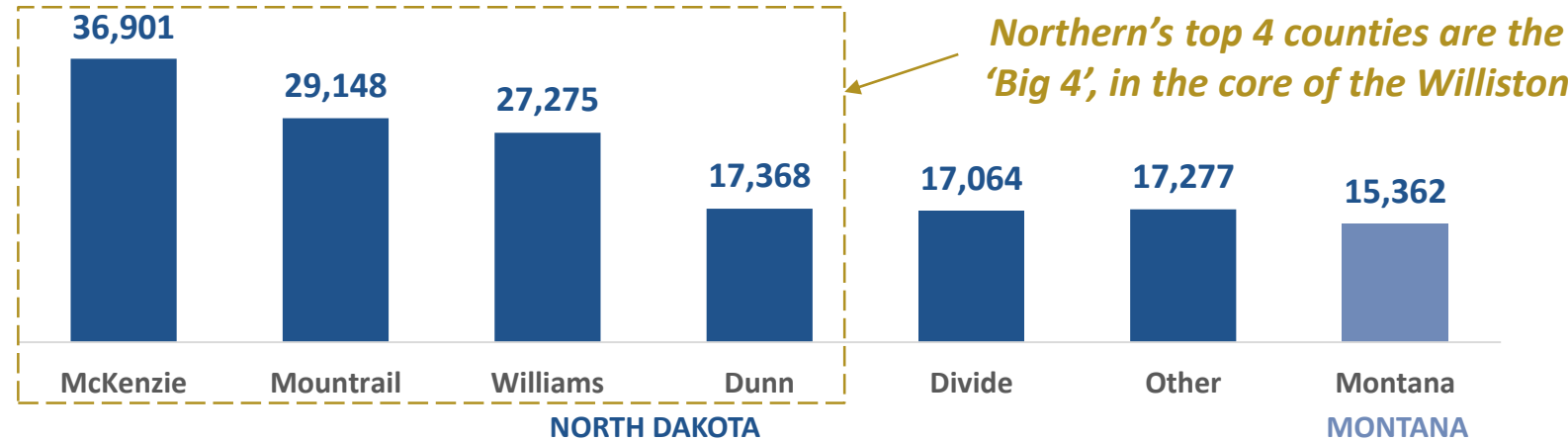


**160,000**  
NET ACRES

**91%**  
HELD BY PRODUCTION<sup>1</sup>

**40+**  
OPERATOR PARTNERS

## NET ACRES BY COUNTY



Source: Company data as of 3/31/18. 'HBP' is acreage held by production  
1. Includes acreage classified as held by production, held by operations or developed



# PARTICIPATING IN THE HIGHEST-QUALITY WELLS...

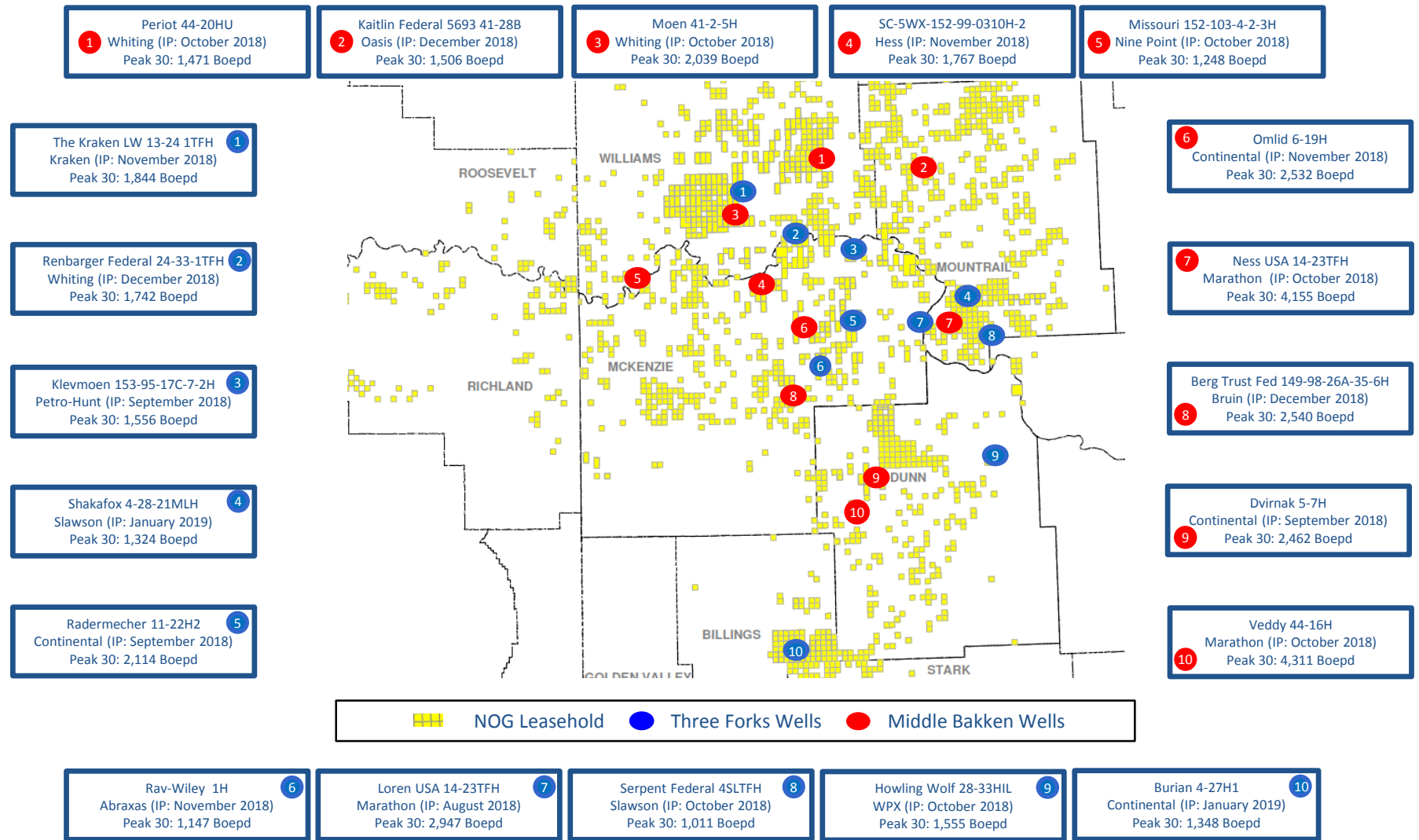
➤ No requirement for contiguous acreage allows Northern to participate in prime drilling opportunities across the region

>30%

Northern has participated in >30% of the wells drilled in the Williston basin



Not constrained by the need for contiguous acreage

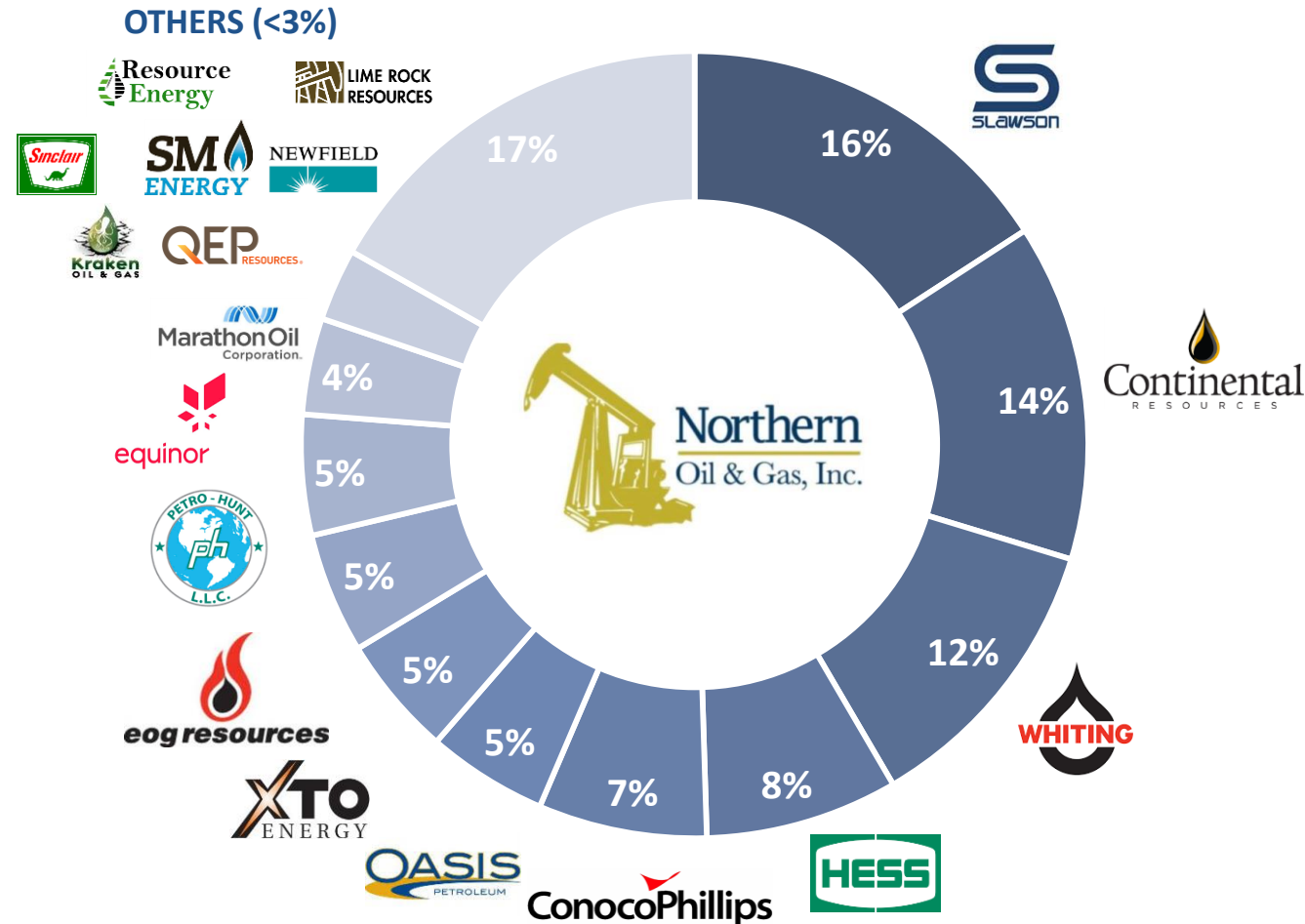




# ...WITH LEADING, TECHNICALLY STRONG OPERATORS

- Deep operating partner relationships facilitate both organic and acquisition-based production growth opportunities

## % NET PRODUCING WELLS BY OPERATOR



**DEEP, LASTING RELATIONSHIPS  
ACROSS THE BASIN...**

**...WITH THE HIGHEST-EFFICIENCY  
OPERATING PARTNERS...**

**...AND EXPOSURE TO INCREMENTAL  
WORKING INTEREST  
OPPORTUNITIES ACROSS THEIR  
PORTFOLIOS**



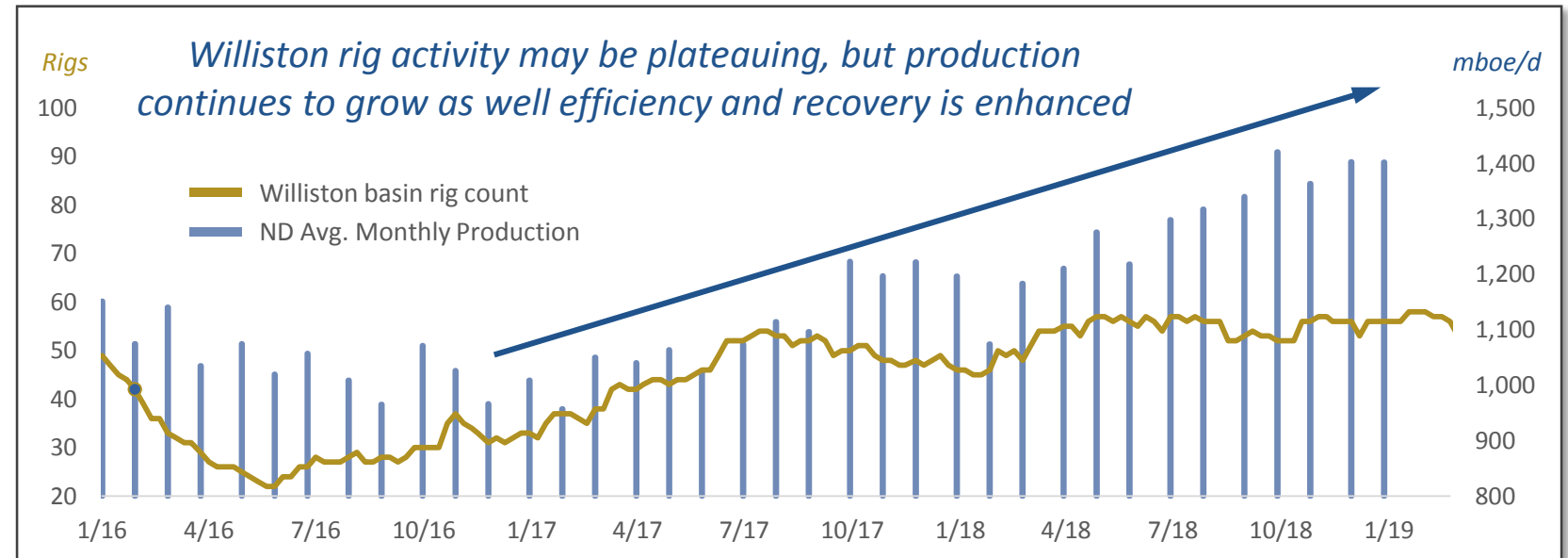
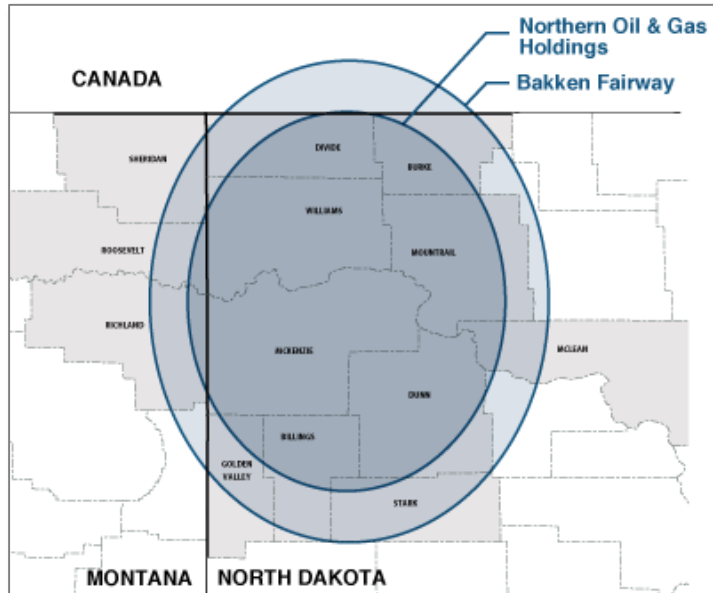
# WILLISTON BASIN: NORTHERN'S HOME FIELD

➤ Northern is a pure-play Williston Basin company, with long-term relationships with premier operators and land owners

**7.4** **15k**

**Billion Barrels** **Producing Wells**  
est. recoverable oil<sup>1</sup> As of March 2019

- ✓ Presence in basin since Northern's inception in 2006
- ✓ Participated in >5,000 wells, ~30% of every well ever drilled in the basin
- ✓ Exposure to industry leading Bakken and Three Forks formations
- ✓ Deep relationships with 40+ regional operators

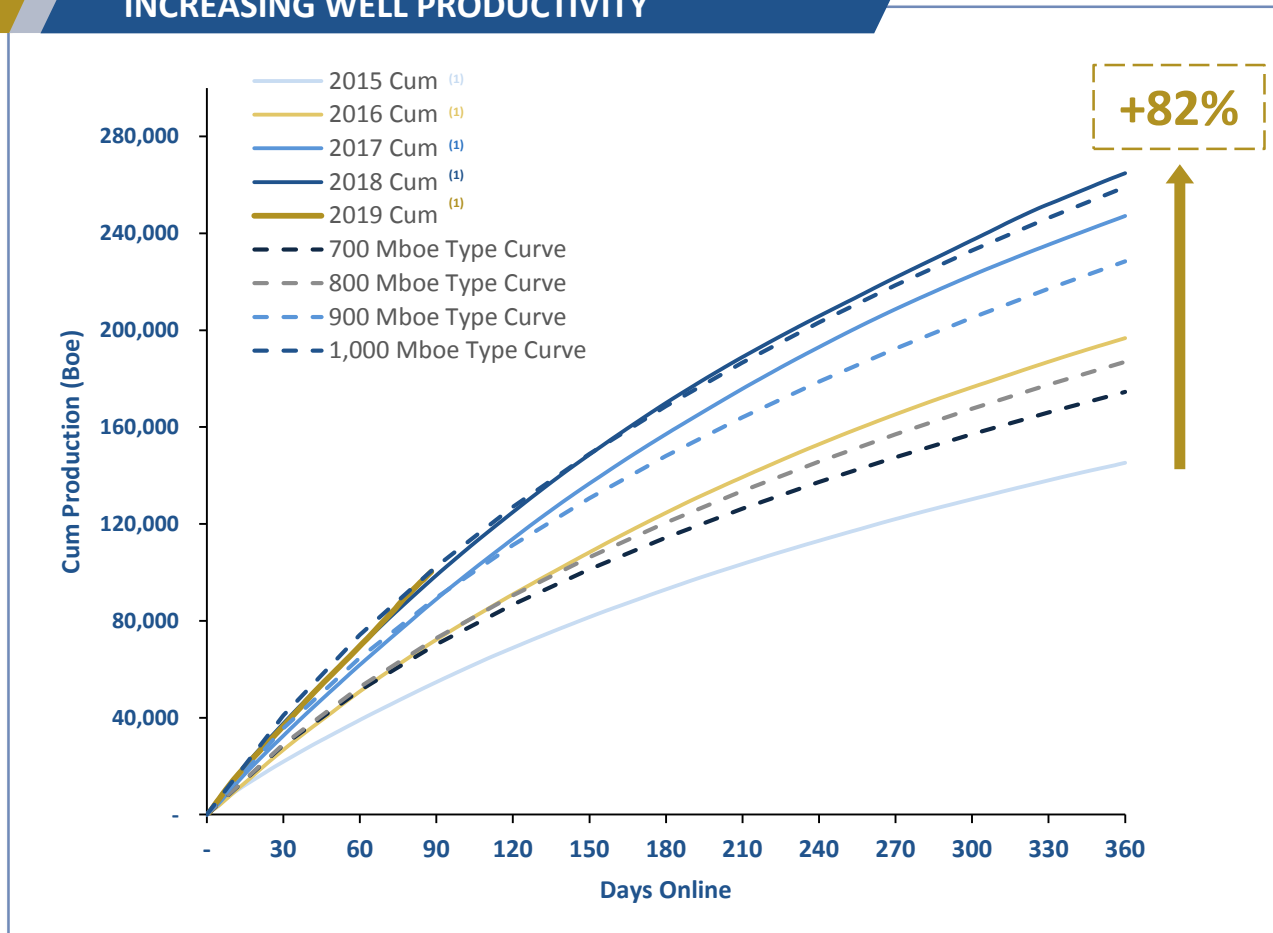




# ...YIELDING YOY IMPROVEMENTS IN WELL RECOVERY

➤ Completions technology and high-grading of well locations has led to improved well recovery across the basin

## INCREASING WELL PRODUCTIVITY



**HIGHER RECOVERIES + STABLE COSTS =  
IMPROVED CAPITAL EFFICIENCY**

**HIGHER TYPE-CURVES VS.  
OTHER U.S. BASINS**

**2019 wells inline with 2018 results**

**2018 wells tracking over a 1,000 Mboe  
EUR Type Curve**

**2018: 12 month cum. up 7% over 2017**

1. Wells assigned to years based on year in which they started producing. Cumulative type curves comprised of the following numbers of gross wells: 2015 – 296; 2016 – 162; 2017 – 297; 2018 – 475; 2019-107. Includes producing wells as of March 31, 2019.



# THE BAKKEN: THE WILLISTON'S SWEET SPOT

➤ Bakken shale meets the optimal criteria for profitable returns in the current fundamental climate



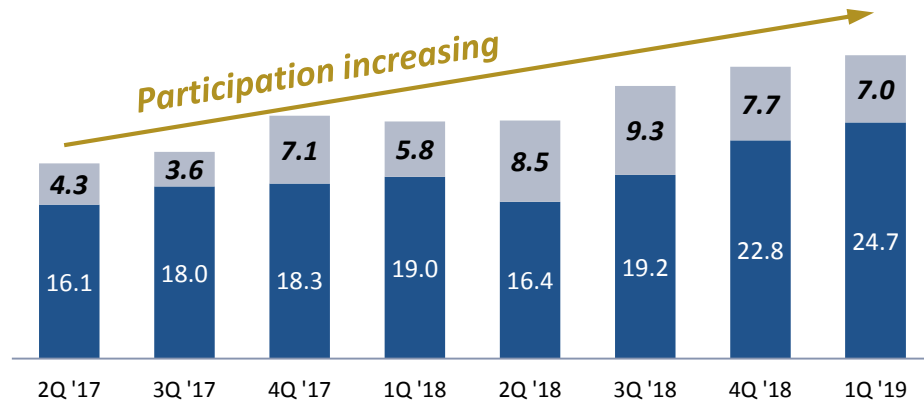


# ENHANCED RETURNS WITH DISCIPLINED CAPITAL ALLOCATION

➤ Participation in the highest quality wells with stable AFE costs generates consistent production growth & higher IRRs

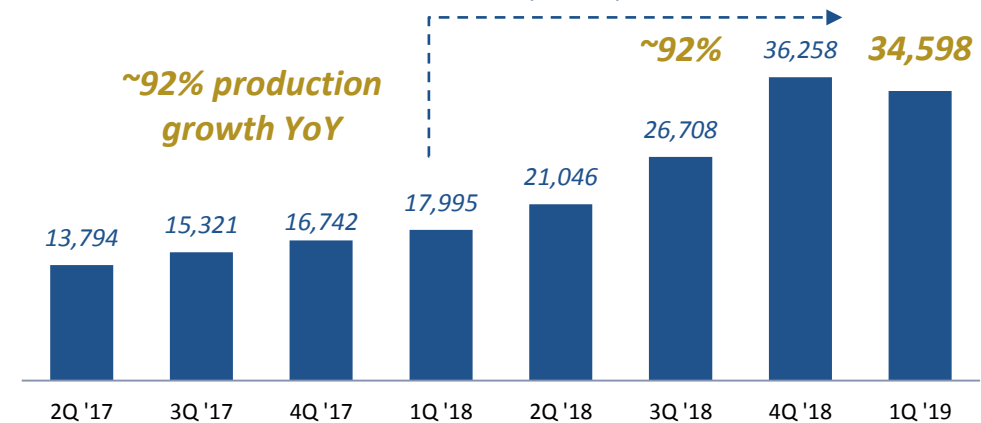
## CONSISTENTLY FUNDING ATTRACTIVE WELLS

■ Wells In Process @ Period End ■ Organic Net Wells added to Production



## ...GENERATES CONSISTENT PRODUCTION GROWTH

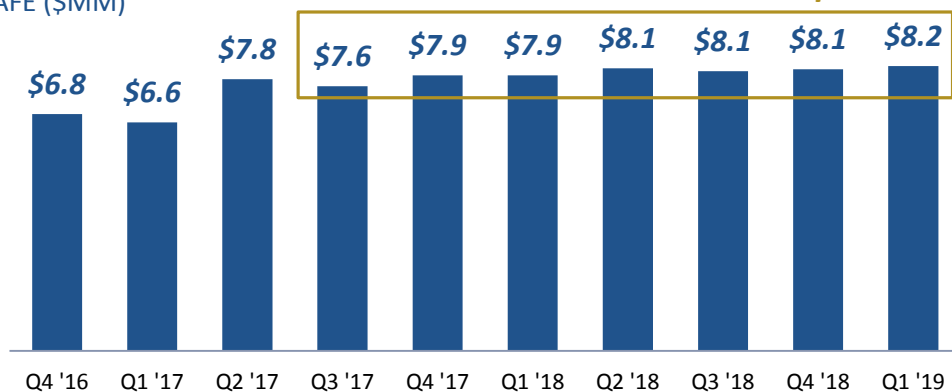
■ Production (Boe/d)



## PARTICIPATING IN COST-EFFECTIVE AFES...

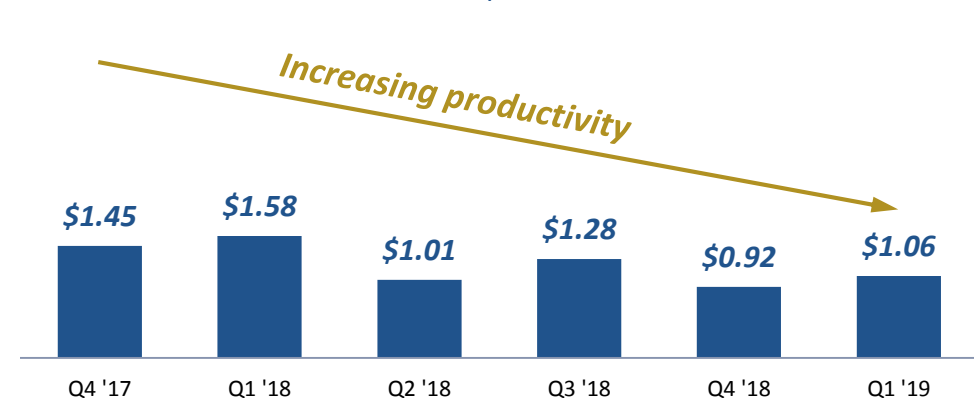
■ Avg. Consented Well AFE (\$MM)

*Stable well costs over the last 7 quarters*



## ...WHILE IMPROVING MARGINS VIA CASH G&A<sup>1</sup>

■ Cash G&A per BOE



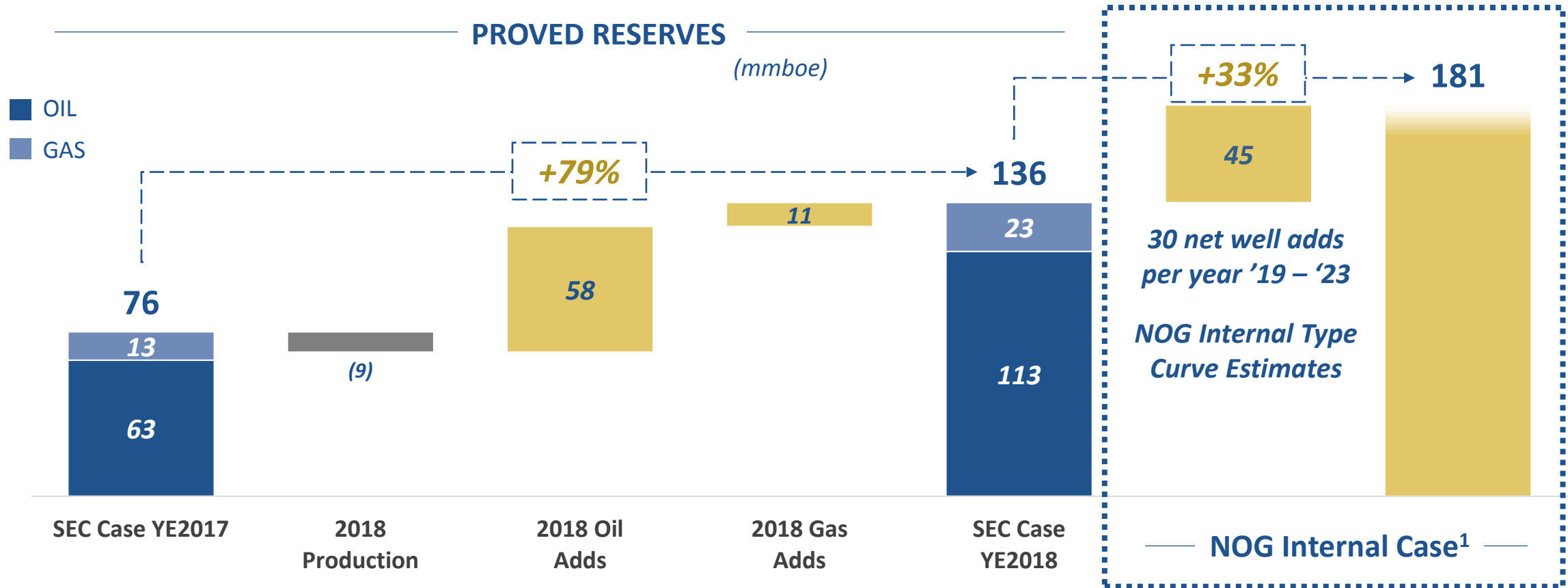
1. Cash G&A is a non-GAAP financial measure. Please see the appendix for reconciliation to the most directly comparable GAAP Measure.



# RESERVES UNDERPIN VALUE PROPOSITION

➤ Participation in highest-quality wells ensures optimal exposure to high-volume regional reservoirs

- Growing reserves across portfolio
- Proved reserve growth of 79% YoY
- Working Interest acquisitions provide incremental reserve access opportunities



1. Assumes incremental impact of additional wells if projected in a 5 year NOG drill schedule



# CORE GROWTH THESIS IS SUSTAINABLE

➤ *As a non-operator, NOG can be both opportunistic and strategic in its acquisition of additional acreage*

## BACKDROP

**FORCED  
SELLERS**

AFE burdens lead to undercapitalization

**PROACTIVE  
SOURCING**

Opportunistic acquisitions across the region

**STRONG  
RELATIONSHIPS**

Leveraging networks for deal flow

**LACK OF BUYER  
COMPETITION**

Limited buyer set creates “buyer’s market”

## OPPORTUNITIES

1. “Ground Game” working interest additions
2. Tuck-in / Bolt-on Acquisitions
3. Consolidation of other operators’ non-op interests



# POSITION ENHANCED THROUGH ACCRETIVE ACQUISITIONS

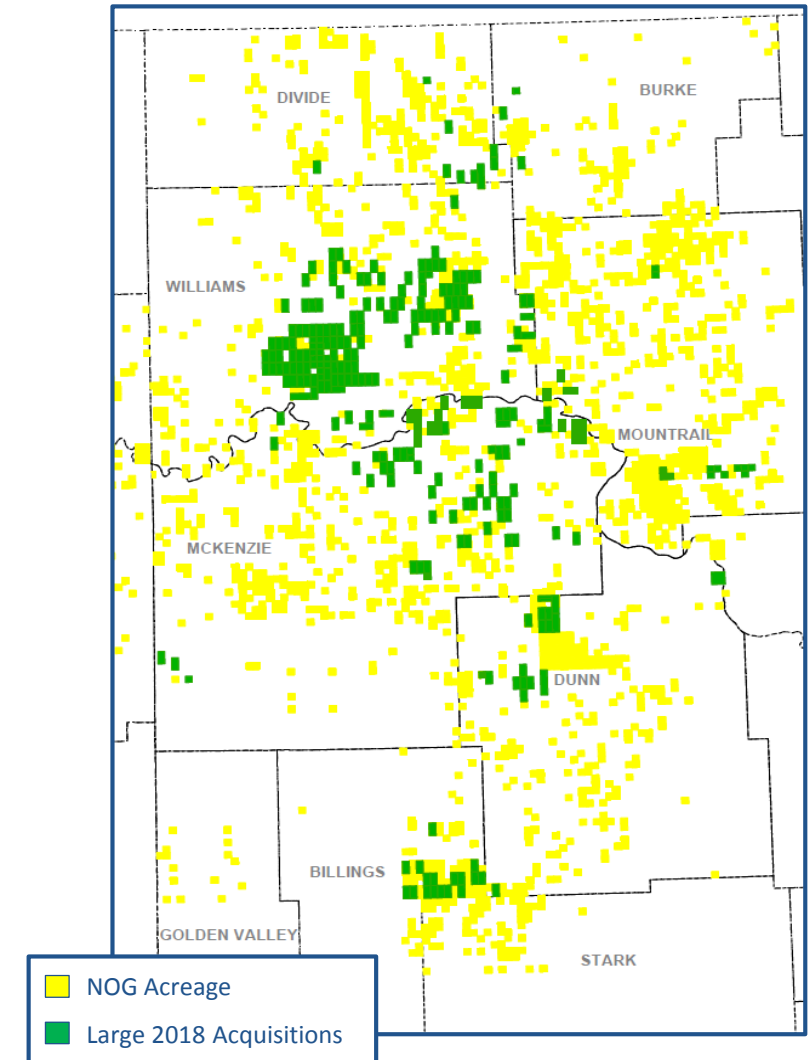
➤ Directing cash flow to acquisitions consistently grows Northern's position while diversifying opportunities

## ***Broadening inventory position in the core of the basin:***

- Greater inventory of projects with attractive economics
- Increased reserve base
- Increased value
- Stronger foundation for continued growth

## ***Acquisition criteria ensure opportunities are accretive:***

- ✓ Strengthens position as “go-to” buyer of non-op interests in region
- ✓ Leverages expertise of in-house technical team & proprietary database
- ✓ Increases drilling locations and inventory
- ✓ Accretive to per-share metrics at corporate level
- ✓ Exceeds rate-of-return hurdle rate at asset level





# ORGANIC GROWTH & ACQUISITIONS DRIVE OPPORTUNITY SET



NYSE American: NOG

➤ *Northern adds to its acreage position and well inventory in multiple ways*

*Northern's goal is to leverage its strong financial position to counter-cyclically invest in acreage and drilling opportunities across the Williston Basin during volatile pricing periods*

## ORGANIC GROWTH



### ***GROWTH IN EXISTING POSITIONS...***

- Flow of inbound AFEs
- Incremental opportunities to proactively source additional working interests
- Quickly source and assimilate interests from others needed to non-consent wells

## ACQUISITIONS



### ***...ACQUISITIONS LEVER STRONG PARTNERSHIPS***

- Non-operator is natural consolidator
- Not bound to contiguous acreage
- Proprietary database facilitates analysis of wells
- \$500mm of M&A at Northern last year
- Participated in ~30%+ of Bakken & Three Forks wells
- Broader Williston coverage vs. any operator



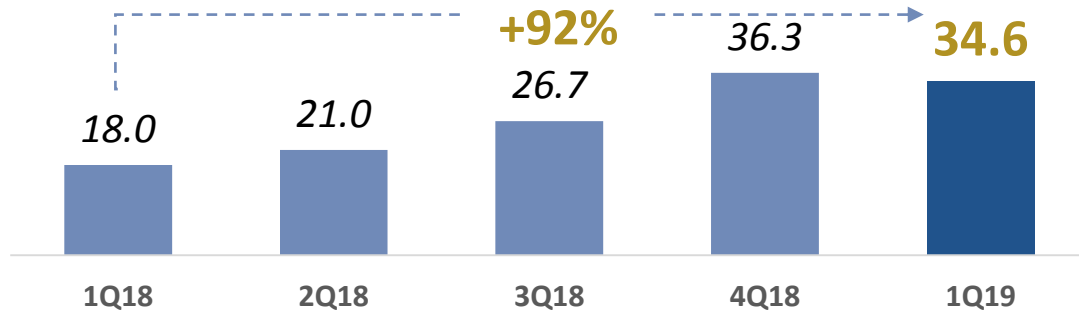
# 1Q19 & YE 2018: BUSINESS UPDATE

➤ Non-operated model continues to demonstrate measured growth with improving capital discipline to drive returns

## GROWING PRODUCTION

mboe/d

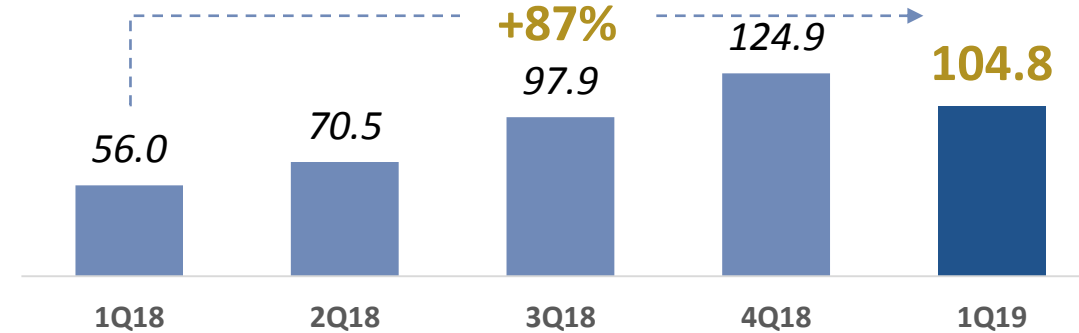
*Production ramping across Northern acreage*



## ENHANCING EBITDA

\$MM

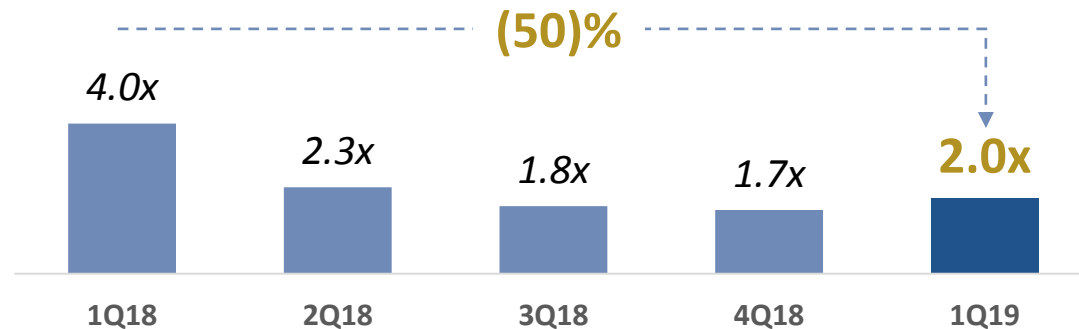
*Adjusted EBITDA growing with production<sup>1</sup>*



## MANAGING LEVERAGE

Net Debt/Annualized Adjusted EBITDA

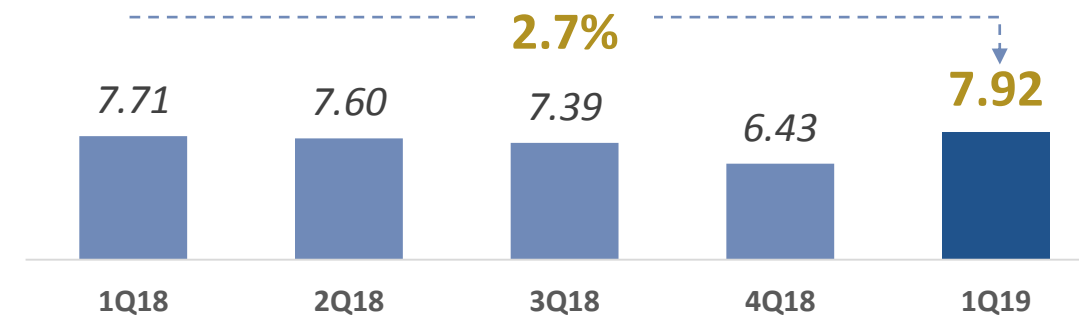
*Exceeding plan, stress tested to flat \$45 WTI*



## STABLE COSTS

LOE/Boe

*Participation in cost-efficient wells*



1. Adjusted EBITDA is a non-GAAP financial measure. Please see the appendix for reconciliation to the most directly comparable GAAP Measure.



# ALIGNED WITH THE SHAREHOLDER LIKE NO OTHER E&P

➤ *Northern is focused on what it means to be accountable to the shareholder*

## TYPICAL E&P PEER

- \$3.00 Cash G&A per Barrel
- Insider & Management Ownership of **~5.0%**
- Stock only a portion of Incentive Compensation
- Executive Officer Incentive Cash Comp of peer set averages >90% of Salary

### Typical Incentive Targets:

- Compensation given in % of targets reached
- Relative Performance to hand-selected peer set
- Production growth regardless of returns

## NORTHERN

- ✓ ~\$1.06 Cash G&A in 1Q2019
- ✓ Insider and Management Ownership of **27.6%**
- ✓ Stock is 100% of Incentive Compensation
- ✓ Executive Officer Incentive Cash Comp is **\$0**

### Northern's Incentive Targets:

- ✓ Targets must be met or incentive compensation is forfeited
- ✓ 50% Absolute Stock Performance top tier target at double average returns for S&P 500
- ✓ 50% Debt-adjusted cash flow per share growth targets based on budget



# OUTPERFORMING GUIDANCE

➤ 2018 was another year executing on our disciplined plan to meet guidance

	2018 GUIDANCE	2018 ACTUALS	2019 GUIDANCE RANGE
<b>PRODUCTION</b>			
<i>Avg. Daily Prod. (Boepd)</i>	23,650 - 24,250	25,555	35,000 – 36,000
<i>% Oil</i>	84%	84%	~ 82%
<i>% Nat Gas</i>	16%	16%	~ 18%
<b>INCOME STATEMENT (\$/BOE)</b>			
<i>Differential to WTI</i>	(\$5.00) - (\$6.00)	(\$7.12)	(\$4.50) – (\$6.50)
<i>Lease Operating Expense</i>	\$7.50 - \$8.50	\$7.15	\$6.75 - \$7.75
<i>G&amp;A Cash</i>	\$1.25 - \$1.38	\$1.15	\$1.00 - \$1.25
<i>G&amp;A Non-Cash</i>	\$0.25 - \$0.50	\$0.42	~ \$0.50
<i>Prod. Taxes (% Rev.)</i>	9.3%	9.2%	~ 9.1%
<b>CAPITAL EXPENDITURES (\$MM)</b>			
<i>Total Development Capital</i>	\$186 - \$202	\$260.9	\$227 - \$260
<i>M&amp;A and Other Capex</i>	\$500+	\$587.6	\$20 - \$25
<b>WELL ACTIVITY</b>			
<i>Net Organic Well Additions</i>	24 - 28	31.2	28 – 32

**ACHIEVED 2018 GUIDANCE  
ACROSS KEY METRICS**

**MEASURED PRODUCTION  
GROWTH IN 2019**

**~30 ORGANIC NET WELL  
ADDITIONS IN 2019<sup>1</sup>**

**PROJECT ~39% YOY INCREASE  
IN PRODUCTION<sup>1</sup>**



# CONTINUED BALANCE SHEET IMPROVEMENT

➤ Northern's balance sheet continues to offer robust protection against market volatility

(In \$ millions)	As of 6/30/18	As of 9/30/18	As of 12/31/18	As of 3/31/19
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## DEBT:

Cash	\$200.9	\$112.8	\$2.4	\$3.9
<b>TOTAL DEBT</b>	<b>\$834.8</b>	<b>\$789.5</b>	<b>\$830.2</b>	<b>\$839.2</b>
Net Debt	\$633.8	\$676.6	\$827.8	\$835.3

## LIQUIDITY:

Borrowing Base	\$400.0	\$400.0	\$425.0	\$425.0
Drawn	\$360.0	\$360.0	\$140.0	\$147.0
Available	\$40.0	\$40.0	\$285.0	\$278.0
<b>LIQUIDITY</b>	<b>\$240.9</b>	<b>\$142.8</b>	<b>\$287.4</b>	<b>\$281.7</b>

## CREDIT METRICS:

LQA Adjusted EBITDA <sup>(1)</sup>	\$282.2	\$391.7	\$499.5	\$419.2
LQA Interest Expense <sup>(2)</sup>	\$89.6	\$81.8	\$80.2	\$78.0
Debt / LQA EBITDA	3.0x	2.1x	1.7x	2.0x
Net Debt / LQA EBITDA	2.3x	1.8x	1.7x	2.0x
LQA EBITDA / LQA Interest Expense	3.1x	4.8x	6.2x	5.4x

Cash position deployed towards accretive M&A activity in 2018. Free cash flow from assets expected in 2019

Continue to proactively pay down debt with long-term goal to run leverage from 1.0x to 2.0x

Liquidity of ~\$282mm consists of cash & borrowing availability under revolver

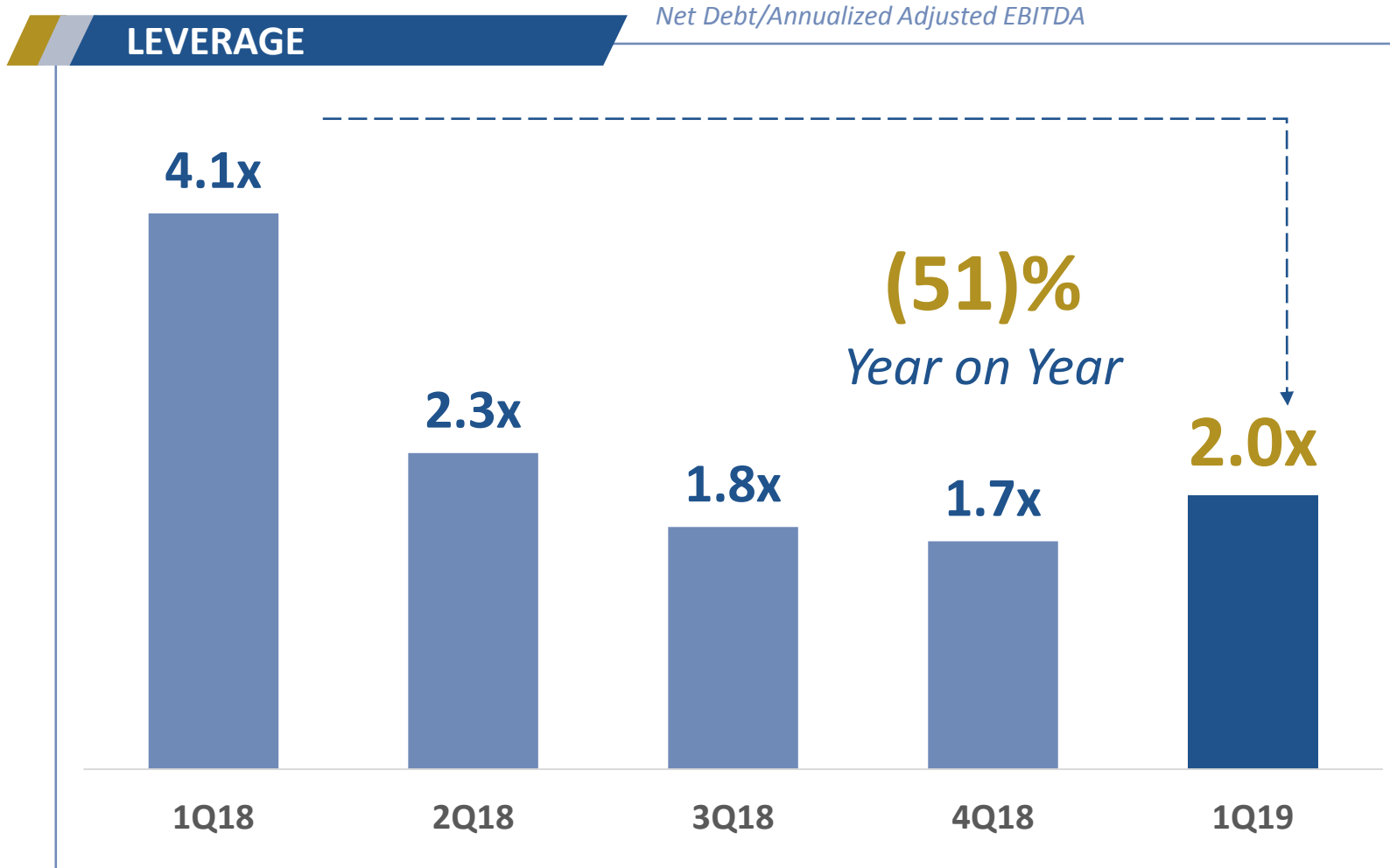
1. LQA Figures for Q2, Q3 and Q4 2018 and 1Q 2019 based upon Adjusted EBITDA, a non-GAAP financial metric.

2. LQA Figures for Q2, Q3 and Q4 2018 and 1Q 2019 based upon reported interest expense.



# HOLDING LEVERAGE AT 2.0X OR BETTER

- *Actively working to further reduce debt and continue generating free cash flow*



**EXPECT YE2019 LEVERAGE TO  
REMAIN <2.0X**

**METRIC WILL CONTINUE TO  
FALL THROUGH 2022**

**EVEN IF OIL PRICES GO SUB  
\$50/BBL**

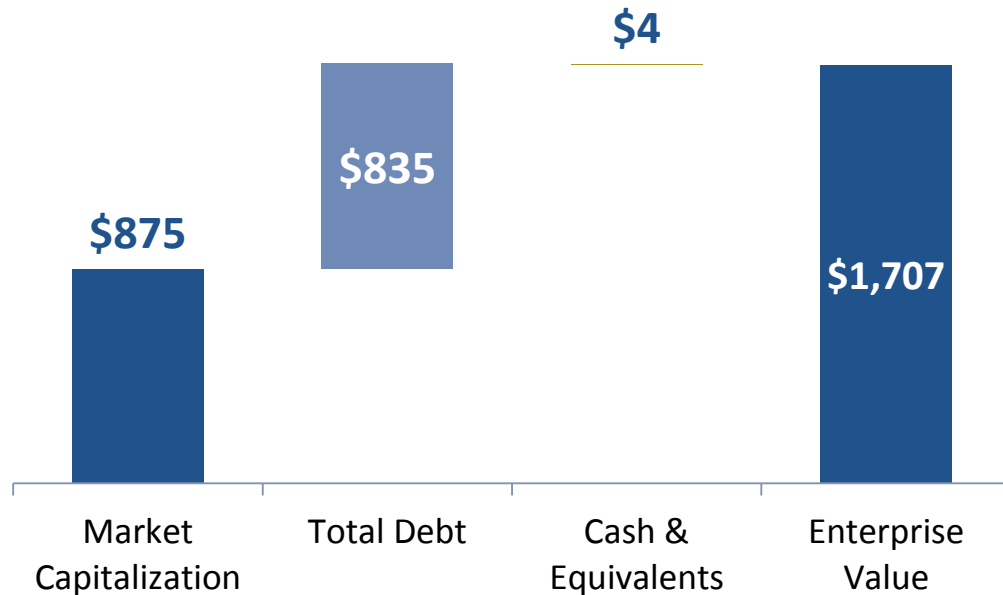


# ...THROUGH CLOSELY MANAGED DEBT MATURITY

➤ Enhancing cash flow to leverage liquidity position to pay down debt

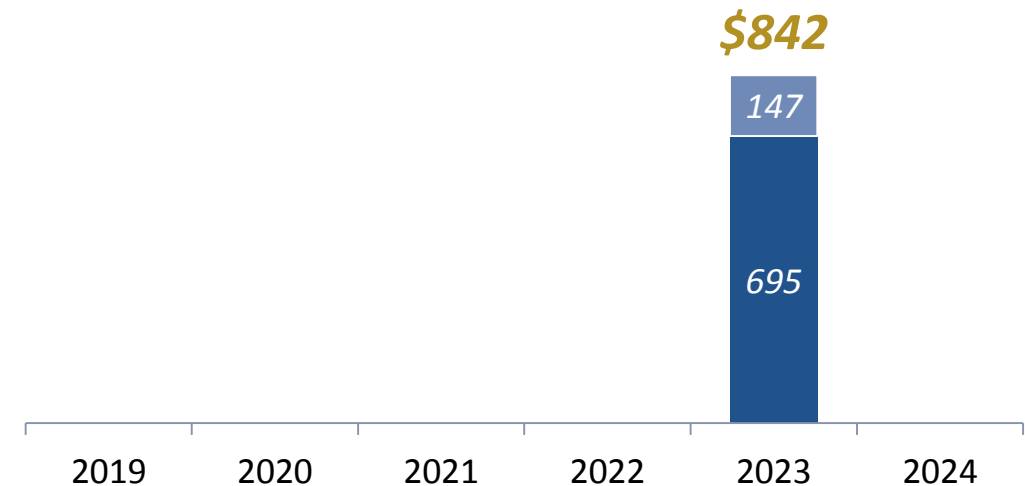
## LIQUIDITY PROFILE<sup>1</sup>

- \$282 million of liquidity as of 3/31/19<sup>(2)</sup>
- Plan to live within Free Cash Flow



## DEBT MATURITY SCHEDULE

- Favorable schedule
- \$695 million 8.5% Senior Secured 2L Notes due 2023
- \$147 million drawn on revolving credit facility



1: Market Capitalization as of May 6, 2019, Debt and Cash balances utilized in liquidity and Enterprise Value as of 3/31/2019.

2: Remaining availability on \$425 million reserved based lending facility less \$147 million drawn as of March 31, 2019.



# RISK MANAGEMENT

➤ *Company has expanded its hedge profile and will assume additional hedges from Flywheel upon closing*

## Crude Oil Derivative Basis Swaps <sup>(1)</sup>

	Contract Period	Barrels Per Day	Volumes (Bbls)	Weighted Average Price (\$/Bbl)
<b>2019</b>	Q2 – Q4	10,330	2,841,000	(\$2.42)

## Crude Oil Derivative Price Swaps

	Contract Period	Barrels Per Day	Volumes (Bbls)	Weighted Average Price (\$/Bbl)
<b>2019:</b>				
	Q2	21,162	1,925,750	\$63.01
	Q3	21,114	1,942,480	\$63.07
	Q4	20,150	1,853,800	\$63.43
<b>2020:</b>				
	Q1	19,767	1,779,050	\$60.20
	Q2	19,800	1,801,800	\$59.25
	Q3	19,050	1,752,600	\$59.17
	Q4	17,640	1,622,880	\$58.81
<b>2021:</b>				
	Q1	11,830	1,064,700	\$58.67
	Q2	10,650	969,150	\$59.63
	Q3	3,750	345,000	\$55.28
	Q4	3,750	345,000	\$55.28
<b>2022:</b>				
	Q1	2,500	225,000	\$55.03
	Q2	1,000	91,000	\$55.08
	Q3	1,000	92,000	\$55.08
	Q4	1,000	92,000	\$55.08

(1) Basis swaps are settled using the TMX UHC 1a index, as published by NGX.



# 2018 DELIVERED BEYOND OUR PLAN

➤ Execution of strategic priorities through 2018 and into 2019 supported by unique non-operator flexibility

## STRATEGY

## FY2018 STATUS

### 1 CAPTURE OPPORTUNITIES

*Participated in more wells than prior year*  
*Organic and acquisition growth expectations achieved*



### 2 GROW PRODUCTION

*Production volumes up 92% Q1 2019 vs Q1 2018*  
*Exceeded production goals ahead of year end*



### 3 ENHANCE REVENUE

*EBITDA growth continues across reporting periods*  
*Supported by participation highest return wells at lowest costs*



### 4 STRENGTHEN BALANCE SHEET

*Executing on hedging program*  
*Reduced debt metrics to fortify balance sheet*



### 5 RETURN VALUE TO SHAREHOLDERS

*Growing free cash flow facilitates returning capital to shareholders*





# WHY NORTHERN OIL & GAS?

## NON-OPERATOR FLEXIBILITY

- Unique model provides capital flexibility & discipline, levers Northern's experience and relationships in the region

## GROWING ORGANIC ACTIVITY

- Basin and Northern acreage activity robust, growing scale increases exposure to working interest opportunities

## ACCRETIVE ACQUISITIONS

- Acquisitions in the core of the play are accretive to cash flow and future core drilling locations

## PAYING DOWN DEBT

- Actively working to strengthen balance sheet and improve leverage metrics

## SHAREHOLDER RETURNS

- Limited stock buyback underway, exploring future payment of dividends



# DIFFERENTIATED E&P PLATFORM



**OIL-LEVERED WILLISTON  
BASIN PRODUCER**



**DISCIPLINED CAPITAL  
ALLOCATION & RETURNS**



**PROACTIVELY MANAGED  
BALANCE SHEET**



**VISIBLE LONG-TERM  
GROWTH POTENTIAL**



# HISTORICAL OPERATING & FINANCIAL INFORMATION



NYSE American: NOG

HISTORICAL OPERATING INFORMATION	YEAR ENDED DECEMBER 31,					
	2014	2015	2016	2017	2018	Q1 2019
<b>PRODUCTION</b>						
Oil (MBbls)	5,150.9	5,168.7	4,325.9	4,537.3	7,790.2	7,790.2
Natural Gas and NGLs (Mmcf)	3,682.8	4,651.6	4,026.9	5,187.9	9,224.8	9,224.8
Total Production (Mboe)	5,764.7	5,944.0	4,997.1	5,402.0	9,327.6	9,327.6
<b>REVENUE</b>						
Realized Oil Price, including settled derivatives (\$/bbl)	\$ 77.70	\$ 68.94	\$ 49.44	\$ 45.92	\$ 57.78	\$ 57.78
Realized Natural Gas and NGL Price (\$/Mcf)	6.38	1.60	1.82	3.74	4.74	4.74
Total Oil & Gas Revenues, including settled derivatives (millions)	\$ 423.7	\$ 363.7	\$ 221.2	\$ 227.7	\$ 471.0	\$ 471.0
Adjusted EBITDA (millions) <sup>(1)</sup>	\$ 309.6	\$ 277.3	\$ 148.5	\$ 144.7	\$ 349.3	\$ 349.3
<b>KEY OPERATING STATISTICS (\$/Boe)</b>						
Average Realized Price	\$ 73.51	\$ 61.19	\$ 44.27	\$ 42.16	\$ 50.50	\$ 50.50
Production Expenses	9.66	8.77	9.14	9.21	7.15	7.15
Production Taxes	7.58	3.63	3.10	3.81	4.86	4.86
General & Administrative Expenses-Cash	2.57	2.15	2.31	2.38	4.15	4.15
Total Cash Costs	\$ 19.81	\$ 14.55	\$ 14.55	\$ 15.40	\$ 13.16	\$ 13.16
Operating Margin (\$/Boe)	\$ 53.70	\$ 46.64	\$ 29.72	\$ 26.76	\$ 37.34	\$ 37.34
Operating Margin %	73.1%	76.2%	67.1%	63.5%	73.9%	73.9%

HISTORICAL FINANCIAL INFORMATION (\$'S IN MILLIONS)	YEAR ENDED DECEMBER 31,					
	2014	2015	2016	2017	2018	Q1 2019
<b>ASSETS</b>						
Current Assets	\$ 226.0	\$ 128.8	\$ 46.9	\$ 152.8	\$ 228.4	\$ 126.5
Property and Equipment, net	1,761.9	589.3	376.2	473.2	1,202.7	1,240.7
Other Assets	38.8	15.8	8.4	6.3	72.5	28.6
Total Assets	\$ 2,026.7	\$ 733.9	\$ 431.5	\$ 632.3	\$ 1,503.6	\$ 1,395.8
<b>LIABILITIES</b>						
Current Liabilities	\$ 285.7	\$ 78.1	\$ 77.4	\$ 123.6	\$ 231.5	\$ 226.1
Debt	806.1	847.8	832.6	979.3	830.2	839.2
Other Long-Term Liabilities	164.0	5.6	8.9	20.2	12.0	17.7
Stockholders' Equity (Deficit)	770.9	(197.6)	(487.4)	(490.8)	429.9	312.8
Total Liabilities & Stockholders' Equity (Deficit)	\$ 2,026.7	\$ 733.9	\$ 431.5	\$ 632.3	\$ 1,503.6	\$ 1,395.8
<b>CREDIT STATISTICS</b>						
Adjusted EBITDA (Q1 2019 annualized)	\$ 309.6	\$ 277.3	\$ 148.5	\$ 144.7	\$ 349.3	\$ 419.2
Secured Debt	\$ 298.0	\$ 150.0	\$ 144.0	\$ 287.4	\$ 835.1	\$ 840.0
Total Debt	\$ 806.1	\$ 835.3	\$ 832.6	\$ 979.3	\$ 835.1	\$ 843.9
Secured Debt/Adjusted EBITDA	1.0x	0.5x	1.0x	2.0x	2.4x	2.0x
Total Debt/Adjusted EBITDA	2.6x	3.0x	5.6x	6.8x	2.4x	2.0x

1. Adjusted EBITDA is a non-GAAP measure. See reconciliation on the slide that follows.



# NON-GAAP RECONCILIATIONS

ADJUSTED EBITDA BY YEAR (IN THOUSANDS)					
	2014	2015	2016	2017	2018
Net Income (Loss)	\$ 163,746	\$ (975,355)	\$ (293,494)	\$ (9,194)	\$ 143,689
Add:					
Interest Expense	42,106	58,360	64,486	70,286	86,005
Income Tax Provision (Benefit)	99,367	(202,424)	(1,402)	(1,570)	(55)
Depreciation, Depletion, Amortization and Accretion	172,884	137,770	61,244	59,500	119,780
Impairment of Oil and Natural Gas Properties	-	1,163,959	237,013	-	-
Non-Cash Share Based Compensation	2,759	6,273	3,182	6,107	3,876
Write-off of Debt Issuance Costs	-	-	1,090	95	-
Loss on the Extinguishment of Debt	-	-	-	993	173,430
Debt Exchange Derivative Loss (Gain)	-	-	-	-	598
Contingent Consideration Loss (Gain)	-	-	-	-	28,968
Financing Expense	-	-	-	-	884
(Gain) Loss on the Mark-to-Market of Derivative Instruments	(171,276)	88,716	76,347	18,443	(207,891)
Adjusted EBITDA	\$ 309,586	\$ 277,299	\$ 148,466	\$ 144,660	\$ 349,283

ADJUSTED EBITDA BY QUARTER (IN THOUSANDS)					
	1Q18	2Q18	3Q18	4Q18	1Q19
Net Income (Loss)	\$ 2,965	\$ (96,547)	\$ 18,979	\$ 218,292	\$ (107,162)
Add:					
Interest Expense	23,107	22,403	20,438	20,057	19,548
Income Tax Provision (Benefit)	-	-	-	(55)	-
Depreciation, Depletion, Amortization and Accretion	18,631	22,596	30,258	48,295	45,134
Non-Cash Share Based Compensation	(886)	1,325	1,535	1,903	2,751
Loss on the Extinguishment of Debt	-	90,833	9,542	73,055	-
Debt Exchange Derivative Gain	-	-	(13,063)	13,661	(6,287)
Contingent Consideration Loss (Gain)	-	-	-	28,968	(1,392)
Financing Expense	-	-	-	884	-
(Gain) Loss on the Mark-to-Market of Derivative Instruments	12,141	29,936	30,225	(280,195)	152,169
Adjusted EBITDA	\$ 55,958	\$ 70,546	\$ 97,914	\$ 124,865	\$ 104,761

Other Non-GAAP Metrics by Quarter (IN THOUSANDS)					
	1Q18	2Q18	3Q18	4Q18	1Q19
Cash General and Administrative Expense	\$ 2,553	\$ 1,927	\$ 3,139	\$ 3,073	\$ 3,299
Non-cash General and Administrative Expense	(886)	1,324	1,535	1,903	2,751
Total General and Administrative Expense	\$ 1,667	\$ 3,251	\$ 4,674	\$ 4,976	\$ 6,050
Net Production (Boe)	1,620	1,915	2,457	3,336	3,114
Cash General and Administrative Expense per Boe	\$ 1.58	\$ 1.01	\$ 1.28	\$ 0.92	\$ 1.06
Non-cash General and Administrative expense per Boe	\$ (0.55)	\$ 0.69	\$ 0.62	\$ 0.57	\$ 0.88
Total Principal Balance on Long-term Debt	\$ 1,000,000	\$ 853,839	\$ 807,091	\$ 835,140	\$ 843,878
Less: Cash and Cash Equivalents	(89,473)	(200,924)	(112,966)	(2,358)	(3,944)
Net Debt	\$ 910,527	\$ 652,915	\$ 694,125	\$ 832,782	\$ 839,934



