

# THIRD QUARTER 2017 EARNINGS REVIEW



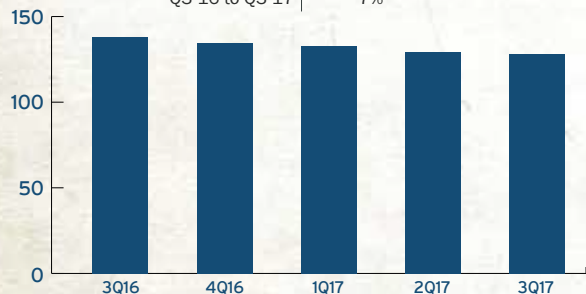
## THIRD QUARTER SPOTLIGHT

“ We have been very pleased with our team's execution as we nearly **doubled the drilling activity** in the third quarter of 2017 compared to the prior quarter. Our corporate strategy has always been to **focus on value**. One way we have delivered this is through our **drilling efficiencies**. Furthermore, we are particularly excited about the **strong successes from the Buena Vista Nose area** and our **redevelopment wells in the Los Angeles Basin**. We believe we will exit this year at a **level of activity supported by capital from cash flows and JV partners**. As the industry moves toward our long-standing philosophy of **living within cash flow** and **not chasing production at all costs**, we continue to execute against our operational and financial goals with this core principle in mind. We are also pleased to be **moving forward with an amendment** to address our bank credit facility maturity and covenants. ”

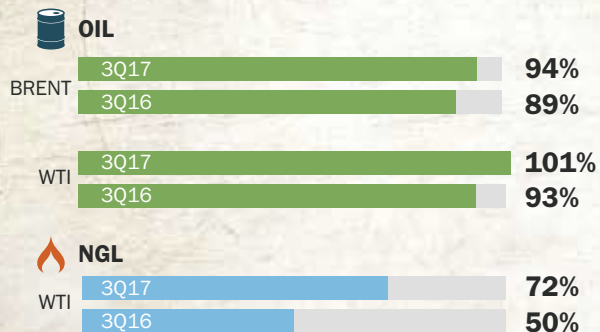
- Todd A. Stevens, President and CEO

### DAILY PRODUCTION (MBOEPD)

Period	Decline Rate
Q2-Q3 2017	~1%
Q3'16 to Q3'17	7%

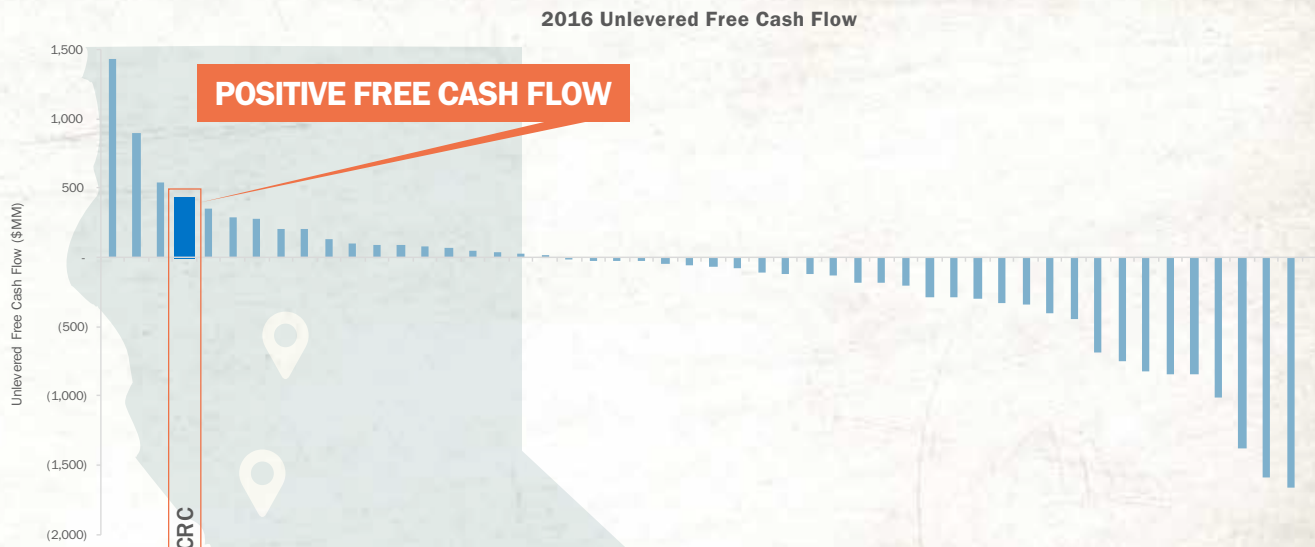


### STRONG PRICE REALIZATIONS\*



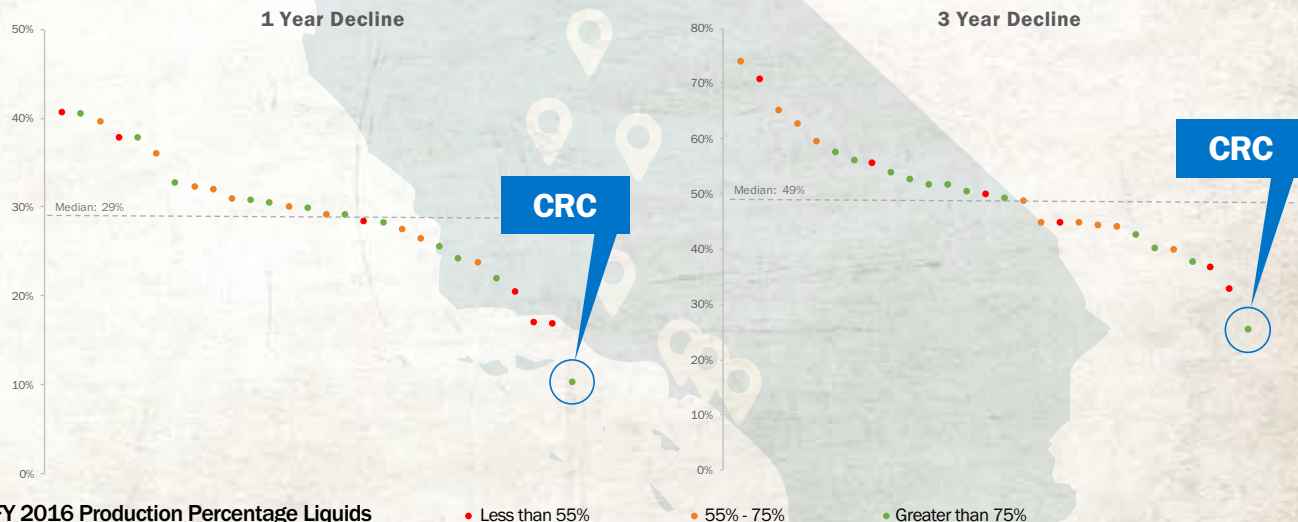
\*Oil realizations not including hedges.

### RESPONSIBLE INVESTING



Unlabeled operators include: APA, APC, AR, BBG, BCEI, CHK, CLR, COG, CPE, CRX, CRZO, CXO, DNR, DVN, ECR, EGN, EOG, EPE, EQT, FANG, GPOR, GST, HK, JONE, LPI, MRO, MTRD, MUR, NBL, NFX, OAS, PDCE, PE, PXD, QEP, REI, RICE, RRC, RSPP, SD, SGY, SN, SWN, UNT, UPL, VNR, WLL, WPX, XEC  
Source: FactSet

### BEST IN CLASS CORPORATE DECLINE RATES



FY 2016 Production Percentage Liquids

Unlabeled operators include: CLR, COG, CPE, CXO, DNR, EGN, EOG, EPE, FANG, HK, LPI, MRO, MTRD, MUR, NFX, OAS, PDCE, PE, PXD, QEP, RRC, RSPP, SM, SN, WLL, WPX, and XEC  
Source: Wood Mackenzie - Operated Production Data through 2016, CRC analysis