Commentary by Dan Steffens

Devon Energy Corporation (NYSE: DVN) is one of the largest E&P companies in North America and one of the “Elite Eight” in our Sweet 16 Growth Portfolio. With plenty of liquidity and strong cash flow from operations (that should exceed this year’s capital program), Devon is well positioned to survive a period of low commodity prices.

Living within cash flow: Devon generated $5.4 Billion of cash flow from operations in 2015, almost half of which was the result of cash settlements on hedges which have now expired. I am now forecasting $1.8 to $1.9 Billion cash flow from operations in 2016 (includes cash distributions from EnLink), which compares to the company’s CapEx budget of $1.2 to $1.4 Billion.

Devon now has the best position in STACK

The company has grown primarily via mergers and acquisitions; this is why it is one of my Top Picks for 2016. Their recent acquisition of Felix Energy gives them significant upside in the Oklahoma STACK play, which will be getting a lot of attention from Wall Street as oil prices move higher. I believe DVN will look a lot more attractive to Wall Street after they conclude their asset divestiture program, which should happen in the 3rd quarter.
Reported earnings in 2015 and the first quarter of 2016 include significant non-cash impairment charges ($23.9 Billion). Just keep in mind that Devon has not surrendered any of this leasehold and the oil & gas reserves are still there. Impairment charges lower book basis in fixed assets and lower DD&A expense going forward. They also distort current earnings, which is why I urge you to focus on Cash Flow from Operations and not reported earnings.

A Company in Transition: Devon has a lot of “moving parts” with a big acquisition in Oklahoma and some large assets for sale. When the smoke clears, Devon is going to be well positioned for growth.

The timing of asset sales will have a significant impact on my forecast model (attached below). If the company is successful in getting close to their asking price for the marketed assets, Devon will be in great shape by the end of 2016. Just be aware that this is a company “in transition”, so it is difficult to forecast accurately. My forecast is within the range of forecasts that other analyst have submitted to First Call.

Devon holds the controlling interest in EnLink Midstream Partners, LP (NYSE: ENLK). Devon owns approximately 64% of the general partner interest and 25% of the limited partner interest. EnLink’s P&L is consolidated with Devon’s reported results. I’ve estimated that Devon’s interest in EnLink has a market value of more than $3 Billion. Cash distributions from EnLink to Devon are estimated at approximately $270 million for 2016.

My Fair Value Estimate for DVN is $43.50/share
Compared to First Call’s Price Target of $37.50

Disclosure: I have a long position in DVN and I do not intend on buying or selling it in the next 72 hours. I wrote this profile myself, and it expresses my own opinions. I am not receiving compensation for it from the company. I have no business relationship with any company whose stock is mentioned in this article.
Devon has a 32% working interest in the Verona 1-23-14XH well that was announced by Continental Resources on May 17, 2016. The well flowed at an initial 24-hour test rate of 3,339 barrels of oil equivalent per day, comprised of 2,345 barrels of oil, or 70% of production, and 6.0 million cubic feet of 1,370-Btu natural gas. The Verona is producing from the Meramec reservoir through a 9,700-foot lateral at a flowing casing pressure of approximately 2,400 psi, on a 34/64-inch choke.

"The Verona is another example of the exceptional results we are getting from wells drilled in the over-pressured oil window of STACK," said Harold Hamm, Continental’s Chairman and Chief Executive Officer.

Most of Devon’s STACK leasehold is in the “over-pressured” part of the STACK play. Devon has identified 1,600 horizontal well locations in the over-pressured area.

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**Company Overview**

**Devon Energy Corporation (NYSE: DVN),** an independent energy company, is engaged primarily in the exploration, development, and production of oil, natural gas, and natural gas liquids. The company holds interests in various properties located in the Anadarko Basin, Barnett Shale, Mississippian-Woodford Trend, Permian Basin, Rockies, South Texas Eagle Ford and other regions in the United States. It also owns oil and gas properties in Canada. Its rapid growth in the late 1990’s and early 2000’s was the result of a series of large mergers. Today, Devon holds over 2.2 Billion barrels oil equivalent ("boe") of proven reserves.

Devon estimates that their recent STACK acquisition adds more than 2 Billion Boe of risked reserves.

**2015 Year-End Reserves**

Devon’s estimated proved reserves of oil, natural gas, and natural gas liquids were 2.2 billion Boe at Dec. 31, 2015, with proved developed reserves accounting for 83 percent of the total. Of this total, 1.9 billion Boe was attributable to Devon’s core asset portfolio, with oil and liquids increasing to 55 percent of the total. During the year, the Company’s drilling programs added 118 million Boe of reserves through drilling (extensions and discoveries). About 90 percent of these additions resulted from oil-focused drilling in the U.S., led by successful drilling in the Delaware Basin and STACK.

Revisions reduced reserves by 444 million Boe. These adjustments were primarily driven by price revisions due to the lower commodity price environment. The Company’s risked recoverable resource was unaffected by these adjustments. If oil & gas prices increase, these proven reserves can be added back.

**First-Quarter 2016 Highlights**

- Expanded its position in the STACK by acquiring approximately 80,000 net acres and assets for $1.5 billion.
- Reduced exploratory and development capital investment by over 50% as compared to the fourth quarter of 2015.
- Raised its 2016 full year production target 3%.
- Reduced LOE by $35 million or 7% as compared to the fourth quarter of 2015, and lowered its 2016 operating cost outlook by $50 million through on-going cost reduction initiatives.
- Reduced gross G&A by 5% as compared to the fourth quarter of 2015, primarily through cost reduction initiatives resulting from its February 2016 workforce reduction, the full benefits of which have yet to be realized. The reductions are expected to decrease gross G&A costs by approximately $400 million to $500 million on an annualized basis.
- Raised net proceeds of $1.5 billion in an offering of its common stock.
Devon Energy Corp.

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- Exited the first quarter of 2016 with $4.6 billion of liquidity, consisting of $1.6 billion of cash and $3.0 billion of capacity on its Senior Credit Facility. Devon has managed its debt maturity schedule to provide maximum flexibility with near-term liquidity; Devon has no major long-term debt maturities until December 2018.
- Advanced its program to divest $2 billion to $3 billion of non-core assets across its portfolio, including entering into an agreement subsequent to quarter-end to sell its Mississippian assets for $200 million.

“In spite of the challenging industry conditions, Devon achieved another high-quality operating performance in the first quarter as we continued to take the appropriate steps to deliver significant cost reductions and accelerate efficiency gains across our portfolio... These successful efforts resulted in production exceeding the midpoint of guidance for all products and operating costs declining by more than 20 percent year over year. Additionally, G&A costs savings remain on track to reduce overhead by up to $500 million on an annual basis.

Looking ahead, our top priority is to maintain a strong balance sheet... We are balancing capital requirements with cash flow and enhancing our financial strength by utilizing asset sale proceeds to reduce debt. This disciplined financial strategy positions us to take advantage of our world-class resource plays when prices incentivize higher activity levels.” – Dave Hager, President and Chief Executive Officer

2016 Production Guidance

Devon’s reported oil production averaged 285,000 barrels per day in the first quarter of 2016. Of this amount, 255,000 barrels per day were from the Company’s core assets, where investment will be focused going forward. Oil production from these assets increased 10 percent year over year, exceeding the midpoint of guidance by 5,000 barrels per day.

Overall, net production from Devon’s core assets averaged 581,000 oil-equivalent barrels (Boe) per day during the first quarter, surpassing the midpoint of guidance by 6,000 Boe per day. With the strong growth in higher-margin production, oil is now the largest component of Devon’s product mix at 44 percent of total production.

Given the strong year-to-date production performance, Devon has raised the midpoint of its 2016 guidance by 15,000 Boe per day, or 3 percent. This incremental production is expected to be delivered without additional capital spending.

Operating Efficiency

The Company has several cost-reduction initiatives underway that positively impacted first-quarter results. The most significant operating cost savings came from lease operating expenses (LOE), which is Devon’s largest field-level cost. LOE declined 21 percent compared to the first quarter of 2015 to $7.13 per Boe, and LOE was $6 million below the bottom-end of guidance. The decrease in LOE was primarily driven by improved power and water-handling infrastructure, declining labor expense and lower supply chain costs.
With these outstanding results in the first quarter and additional cost savings expected throughout 2016, the Company is lowering its full-year LOE outlook by $50 million to a range of $1.75 billion to $1.85 billion. Due to these additional savings, the Company expects field-level costs, which include both LOE and production taxes, to decline by up to $400 million for the full-year 2016.

Acquisitions & Divestitures
To further enhance its financial strength, the Company is targeting total divestiture proceeds of $2 billion to $3 billion. In April, Devon took an important step toward that divestiture goal by announcing the sale of its non-core Mississippian assets in northern Oklahoma for $200 million, which is expected to close in the second quarter.
The divestiture process for the Company’s remaining non-core assets is ongoing. Devon is marketing its 50 percent interest in the Access Pipeline in Canada and anticipates an announcement in the first half of 2016. Efforts to monetize remaining non-core upstream assets in the U.S. are also progressing. Data rooms have been open since early March and bids are expected by the end of the second quarter.

**Devon Acquisitions**
On January 7, 2016, Devon acquired approximately 80,000 net acres and assets in the STACK play for approximately $1.5 billion, subject to certain adjustments. Devon funded the acquisition with approximately $830 million of cash and $659 million of common equity shares. A preliminary allocation of the purchase price at March 31, 2016 was approximately $1.3 billion to unproved properties and approximately $200 million to proved properties.

**EnLink Acquisitions**
On January 7, 2016, EnLink acquired Anadarko Basin gathering and processing midstream assets, along with dedicated acreage service rights and service contracts, for approximately $215 million of General Partner common units and approximately $800 million of cash, primarily funded with the issuance of EnLink preferred units. The remaining $500 million of the purchase price is to be paid within one year with the option to defer $250 million of the final payment 24 months from the close date. The first $250 million of undiscounted future installment payment is reported in other current liabilities on the company’s consolidated balance sheets with the remaining $250 million payment reported in other long-term liabilities. The accretion of the discount is reported within net financing costs in the company’s consolidated comprehensive statement of earnings. A preliminary allocation of the purchase price at March 31, 2016 was $1.0 billion to intangible assets and $420 million to property and equipment.

**Devon Asset Divestitures**
In February 2016, Devon announced a program to divest certain non-core assets. On April 15, 2016, Devon reached an agreement to sell its Mississippian assets for $200 million, subject to certain adjustments. The transaction is expected to close in the second quarter of 2016.

**Equity Issuance**
On February 22, 2016, Devon announced the closing of its previously announced public offering of 69,000,000 shares of its common stock and the full exercise of the underwriters’ option to purchase an additional 10,350,000 shares. Net proceeds from the offering of $1.469 billion are expected to be used for general corporate purposes, including bolstering the Company’s liquidity position, reducing indebtedness and funding its capital program.

**Production**
Devon’s reported oil production averaged 285,000 barrels per day in the first quarter, a 10 percent increase compared to the first quarter of 2015. Of this amount, 255,000 barrels per day were from the Company’s core asset portfolio where investment will be focused going forward. Oil production from these core assets increased 10 percent year over year, driven by Delaware Basin and Rockies growth in the U.S. and the Jackfish 3 project in Canada.

Overall, net production from Devon’s core assets averaged 581,000 oil-equivalent barrels (Boe) per day during the first quarter, representing a 4 percent increase compared to the first quarter of 2015. With the strong growth in higher-margin production, oil is now the largest component of Devon’s product mix at 44 percent of total production.
Devon Energy Corp.

Delaware Basin (a sub-basin of the Permian Basin)

- Net production averaged 63,000 Boe per day, a 21% increase compared to the first quarter of 2015.
- Devon continued to make significant progress lowering operating costs in the first quarter. LOE declined to $62 million or $10.76 per Boe, a decline of 36% from peak rates in early 2015.
- Driving the decrease in LOE are improved water-handling infrastructure and lower power costs. The company has reduced disposal costs by investing in water handling infrastructure that now services 70% of its produced water in the Delaware Basin.
- Devon has also converted the majority of its wells to electrical power which has reduced the use of rental generators in southeast New Mexico by 80%.
- Looking ahead, the company expects LOE costs to steadily decline throughout the remainder of year, exiting Q4 2016 with LOE costs trending toward $50 million.

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• First-quarter drilling activity in the Delaware Basin was highlighted by another outstanding Leonard Shale well in Lea County, New Mexico. The Thistle Unit 30-H, which was landed in the Leonard “B” interval, achieved a 30-day IP of 2,300 Boe per day, of which 80% was light oil.

• Since mid-last year, Devon has had success in this early-stage development play with 3 high-rate wells brought online. In aggregate, these Leonard wells have averaged 30-day rates of 1,900 Boe per day.

• Based on results from these wells and other non-operated activity in the area, Devon is raising its Leonard Shale type curve. IP rates and EURs are expected to be 65% and 25% higher than previous estimates, Devon has 60,000 net surface acres in the core of the Leonard Shale play, with a gross pay interval up to 1,100’ thick in some areas and as many as 3 different landing intervals.

• With the company’s recent success and the positive industry results adjacent to its leasehold, Devon is increasing its Leonard Shale risked location count by 15% to 800 risked locations (conservatively assumes 5 wells per section).
• With industry activity in the area testing staggered wells spacing pilots as tight as 330 feet, Devon’s risked Leonard inventory has the potential to substantially expand over time (identified 3,100 unrisked locations).
• Other noteworthy new well activity in Q1 included 9 wells across the basin and slope regions.
• In the over-pressured basin of southeast New Mexico, Devon brought online 3 Bone Spring wells and a Delaware Sands well during the quarter.
• The 30-day rates from these wells averaged nearly 1,000 Boe per day, with light-oil accounting for roughly 80% of the production mix.
• On the slope in the northern portion of the Delaware Basin, production commenced on 5 Bone Spring wells with initial 30-day rates averaging 575 Boe per day. These slope wells, which are generally lower cost than the basin, exceeded the company’s IP rate expectations by 15%.
• Rig productivity for its Bone Spring program in the basin improved to a record-high of 914 feet drilled per day in the first quarter of 2016. This represents an increase of >60% since the first half of 2015.
Devon Energy Corp.

Company Profile

May 28, 2016

Guidance

- In an effort to conserve cash flow, the company has limited its capital spending program in the Delaware Basin to around $200 million in 2016.
- This disciplined capital program is focused on developing the 2nd Bone Spring and Leonard opportunities, which are delivering some of the best returns in Devon's portfolio.
- Appraisal drilling in the Wolfcamp formation (which possesses massive upside potential) will be limited in 2016 as capital is focused on the best development opportunities to maximize returns and cash flow.
- Once commodity prices incentivize higher activity levels, the Delaware Basin will be one of the first areas in Devon's portfolio to add incremental activity given the strong well economics available at the Bone Spring, Leonard Shale and Delaware Sands.

South Texas - Eagle Ford
Devon Energy Corp.

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May 28, 2016

- Devon delivered solid operating results in Q1 with net production of 107,000 Boe per day and operating costs of $58 million, an 18% reduction year over year.
- This positive operating trend helped the Eagle Ford achieve the highest per-unit margin of any Devon asset. Cash operating margin for the quarter averaged $13 per Boe, with margins approaching 70% of upstream revenue.
- Even with the lower commodity prices in the first quarter, Devon’s Eagle Ford assets generated $78 million of free cash flow and remain on pace to deliver >$250 million of free cash flow in 2016, based on recent strip pricing (4/26/16).
- First-quarter production was notably enhanced by improvements in controllable downtime from existing wells to a record low of just 0.9%, an improvement of >65% compared to the first half of 2015.
Canadian Heavy Oil Sands

- Driven by growth at the Jackfish complex, net oil production in Canada averaged 126,000 barrels per day in the first quarter. This represents a 22% increase compared to the first quarter of 2015.
- Gross production at Jackfish 3 exceeded name-plate capacity averaging 40,000 barrels per day in the first quarter. Net production averaged 39,800 barrels per day, an increase of more than 175% compared to the year-ago quarter.
- This impressive growth was driven by facility uptime of nearly 100% and strong reservoir performance. These factors make Jackfish 3 one of the most efficient thermal oil projects in the industry with a steam-oil-ratio of 2.2.
- Beginning in June, the company will bring its Jackfish 2 facility down for a scheduled 21-day maintenance period that is expected to curtail heavy-oil production by approximately 10,000 barrels per day in Q2.
- As a result, Devon expects net oil production from its heavy-oil operations to range between 122,000 and 127,000 barrels per day in the second quarter. The mid-point of this forecast represents a growth rate in excess of 25% compared to the second quarter of 2015.
Anadarko Basin/ Stack

• Net production averaged a record 91,000 Boe per day in the first quarter. This strong result represents a 39% increase in production compared to the first quarter of 2015.
• This growing asset is achieving one of the lowest LOE costs of any property in the company’s portfolio at $4.28 per Boe, a decline of 21% compared to the first quarter of 2015.
• Upon closing of the Felix transaction, the company has the premier STACK position in the industry with 430,000 net surface acres prospective for multiple intervals in both the Meramec and Woodford formations.
• Devon has identified 5,300 risked undrilled locations across its STACK position, of which ≈30% or 1,600 gross risked locations are attributable to the Meramec formation, which has 5 producible intervals.
Devon Energy Corp.

Company Profile

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Net production averaged a record 91,000 Boe per day in the first quarter. This strong result represents a 39% increase in production compared to the first quarter of 2015 (chart below).

This growing asset is achieving one of the lowest LOE costs of any property in the company’s portfolio at $4.28 per Boe, a decline of 21% compared to the first quarter of 2015.

Over-Pressured Oil Window Delivering Top-Tier STACK Results

Upon closing of the Felix transaction, the company has the premier STACK position in the industry with 430,000 net surface acres prospective for multiple intervals in both the Meramec and Woodford formations.

Devon’s STACK acreage resides in over-pressured portions of the play, a large portion of which is located in the oil window with excellent reservoir properties. This area has delivered the best economics in the play to date (map right).

STACK Q1 STATS

<table>
<thead>
<tr>
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<th>Q1 2016</th>
<th>Q1 2015</th>
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<td>875</td>
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<tr>
<td>Operated Rigs (at 3/11/16):</td>
<td>4 (including partner rigs)</td>
<td>4 (including partner rigs)</td>
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</table>

Barnet Shale

- Net production averaged 168,000 Boe per day or 1.0 Bcfe per day in the first quarter. Liquids accounted for 26% of the production mix.
- Devon’s Barnett properties delivered another strong cost performance during the first quarter. LOE costs totaled $93 million or $1.01 per Mcfe in Q1. This represents a decline of $20 million or 18% compared to peak rates in 2014.
- When conditions incentivize higher activity levels, Devon is prepared to resume its refrac programs in the Barnett where the company operates approximately 5,000 producing wells in the best part of the field.
- Every 25-cent increase in natural gas price translates into an additional $75 million of incremental annualized cash flow (at planned production rates for 2016).

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Rockies

- Net production for retained assets averaged 23,000 Boe per day, a 22% increase compared to the first quarter of 2015.
- Overall, Q1 Rockies oil production increased 39% year over year. This result was driven primarily by growth in the Powder River Basin.
- The company’s Powder River Basin leasehold of 470,000 net acres is the largest and highest-quality acreage position in the basin, and Devon’s development programs have consistently delivered best-in-class results.
- While the company is achieving strong operational results from its Powder River Basin development program, Devon has elected to limit its capital spending to around $75 million in 2016 to conserve cash flow.
Midstream Update: The EnLink Advantage

- Devon’s midstream business generated $202 million of operating profit in Q1, driven by the company’s investment in EnLink Midstream, which provides a steady cash flow stream even with volatile commodity pricing.
- Devon has a 64% ownership in the general partner (ENLC) and a 25% interest in the limited partnership (ENLK). In aggregate, the company’s ownership in EnLink is valued at ≈$3 billion and is expected to generate cash distributions of $270 million in 2016.
2016 Guidance Outlook

- With current industry conditions, Devon’s top priority is to protect its balance sheet by managing its capital programs to be within total cash inflows, which include operating cash flow, EnLink distributions and sale proceeds from Access Pipeline.

- To further enhance its financial strength, the company is targeting total divestiture proceeds of $2 to $3 billion in 2016.

- E&P capital investment is estimated to range between $900 million and $1.1 billion, a decrease of 75% compared to 2015. Capitalized G&A and other non-E&P capital requirements are projected to be around $300 million.

- Oil production is expected to remain flat compared to full-year 2015, and top-line production is expected to decline by 6% due to lower gas volumes.

- Should commodity price volatility continue, the company’s capital programs have significant flexibility with minimal exposure to long-term service contracts, no long-cycle project commitments and negligible leasehold expiration issues.

- Devon’s workforce reduction program will decrease employee count by approximately 20 percent in the first quarter of 2016, bringing the total workforce reduction to more than 25 percent over the past 12 months.

- Devon’s board of directors declared a quarterly cash dividend of $0.06 per share for the second quarter of 2016. This compares to the previous quarterly dividend of $0.24 per share.
Net Income and Cash Flow Forecast Model

### Devon Energy Corp.

**Company Profile**

May 28, 2016

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#### Net Income and Cash Flow Forecast Model


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<td>Marketing and midstream revenues</td>
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<td>1,691</td>
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<td>2,630</td>
<td>2,771</td>
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**EXPENSES:**

| Loan origination expenses | $2,332 | 660 | 662 | 610 | 479 | 2,161 | 444 | 441 | 408 | 420 | 1,716 | 1,981 |
| Marketing and midstream expenses | $8,150 | 1,438 | 1,868 | 1,037 | 1,061 | 4,642 | 1,060 | 3,130 | 3,130 | 3,140 | 2,630 | 392 |
| G&A | 405 | 26 | 170 | 30 | 92 | 318 | 281 | 75 | 75 | 90 | 501 | 360 |
| Non-cash charges | $538 | 108 | 116 | 91 | 73 | 388 | 78 | 85 | 95 | 137 | 30 | 551 |
| Production and property taxes | $8,860 | 1,371 | 1,657 | 1,327 | 1,525 | 5,552 | 1,114 | 4,270 | 4,350 | 4,500 | 2,800 | 2,513 |
| **Total expenses** | $14,688 | 3,870 | 3,905 | 3,104 | 2,992 | 13,483 | 2,516 | 2,931 | 2,965 | 3,012 | 11,350 | 11,400 |

**OPERATING EARNINGS**

| Operating income | $4,064 | 1,540 | 1,507 | 1,033 | 786 | 4,413 | 1,639 | 1,169 | 1,179 | 1,302 | 3,907 | 3,980 |
| Other income (expenses) | $1,769 | 220 | 202 | 155 | 120 | 1,296 | 422 | 300 | 300 | 300 | 1,200 | 1,254 |
| Net income | $5,833 | 1,760 | 1,709 | 1,188 | 906 | 5,709 | 2,061 | 1,469 | 1,479 | 1,554 | 5,111 | 5,234 |

**NET INCOME BEFORE TAXES**

| Interest expense (current) | $1,277 | 11 | 9 | 9 | 9 | 10 | 9 | 9 | 9 | 9 | 10 | 10 |
| **Net income before taxes** | $3,576 | 1,759 | 1,700 | 1,179 | 906 | 5,609 | 1,962 | 1,370 | 1,370 | 1,444 | 5,017 | 5,134 |

**TAXES**

| Current tax | $1,277 | 11 | 9 | 9 | 9 | 10 | 9 | 9 | 9 | 9 | 10 | 10 |
| Non-current tax | $1,277 | 11 | 9 | 9 | 9 | 10 | 9 | 9 | 9 | 9 | 10 | 10 |
| **Net income tax** | $2,554 | 22 | 18 | 18 | 18 | 20 | 18 | 18 | 18 | 18 | 20 | 20 |

**NET INCOME**

| Net income | $1,007 | ($3,197) | ($2,816) | ($3,309) | ($4,522) | ($14,454) | ($3,005) | ($326) | $102 | $226 | ($2,785) | $1,424 |

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**Common Stock - Fully diluted (million)**

| Earnings per share | $0.31 | ($0.74) | ($0.19) | ($0.19) | ($0.19) | ($0.19) | ($0.19) | ($0.19) | ($0.19) | ($0.19) | ($0.19) | ($0.19) |
| NOTE: Current First Call Estimated EPS | ($0.28) | ($0.13) | ($0.09) | ($0.09) | ($0.09) | ($0.09) | ($0.09) | ($0.09) | ($0.09) | ($0.09) | ($0.09) | ($0.09) |

**Cash flow per share before CapEx**

| ($Million) | 409 | 413 | 413 | 413 | 413 | 413 | 413 | 413 | 413 | 413 | 413 |

**PRODUCTION**

| Natural Gas (mcfd) | 1,977,775 | 1,945,000 | 1,627,000 | 1,586,000 | 1,583,000 | 1,610,250 | 1,581,000 | 1,560,000 | 1,550,000 | 1,400,000 | 1,472,750 |
| Oil (bbl/d) | 131,275 | 168,000 | 172,000 | 161,176 | 164,542 | 159,000 | 160,000 | 168,000 | 175,000 | 166,500 | 200,000 |
| Natural Gas liquids (bbl/d) | 53,625 | 77,000 | 73,000 | 94,000 | 96,000 | 84,750 | 101,000 | 90,000 | 84,000 | 81,000 | 89,000 |
| **Net Sales (Btu)** per day | 139,850 | 139,000 | 134,000 | 139,000 | 139,000 | 139,000 | 139,000 | 139,000 | 139,000 | 139,000 | 139,000 |

**PRODUCT PRICES**

| Natural Gas ($/mcf) | $3.85 | $2.96 | $2.71 | $2.79 | $2.45 | $2.71 | $1.68 | $2.00 | $2.20 | $2.50 | $2.09 | $3.00 |
| Oil ($/bbl) | $86.45 | $70.29 | $73.70 | $78.00 | $79.00 | $75.25 | $34.50 | $40.00 | $45.00 | $50.00 | $50.00 |

**All numbers are inferred from current prices and may not reflect actual costs.**

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