



GUIDANCE

3Q 2016

FY 2016

Production

Mmcfe/d	1,430	1,410 to 1,420
% Liquids	32% to 35%	32% to 35%

Expenses

Direct operating expense per mcfe	\$0.18 - \$0.19
Transportation, gathering and compression expense per mcfe	\$1.05 - \$1.06
Production tax expense per mcfe	\$0.05 - \$0.06
Exploration expense	\$5 - \$7 million
Unproved Impairment expense	\$8 - \$10 million
G&A expense per mcfe	\$0.22 - \$0.24
Interest expense per mcfe	\$0.29 - \$0.30
DD&A expense per mcfe	\$0.95 - \$0.96
Net Brokered Natural Gas expense	~ \$3 million

FY 2016 Differential Pricing ^(a)

Natural Gas -	NYMEX minus \$0.40 to \$0.45
Natural Gas Liquids (NGLs) -	23% to 25% of WTI
Oil/Condensate -	WTI minus \$12

Differential Pricing History

	<u>2Q 2015</u>	<u>3Q 2015</u>	<u>4Q 2015</u>	<u>1Q 2016</u>	<u>2Q 2016</u>
Natural Gas (compared to HH)	(\$0.66)	(\$0.78)	(\$0.37)	(\$0.31)	(\$0.48)
Oil/Condensate (compared to WTI)	(\$16.17)	(\$13.35)	(\$13.52)	(\$13.56)	(\$13.57)
NGL (% of WTI)	14%	13%	22%	25%	24%

(a) Differentials based on pre-NYMEX hedge pricing, excluding transportation, gathering and compression expense. Natural Gas differential includes basis hedging.